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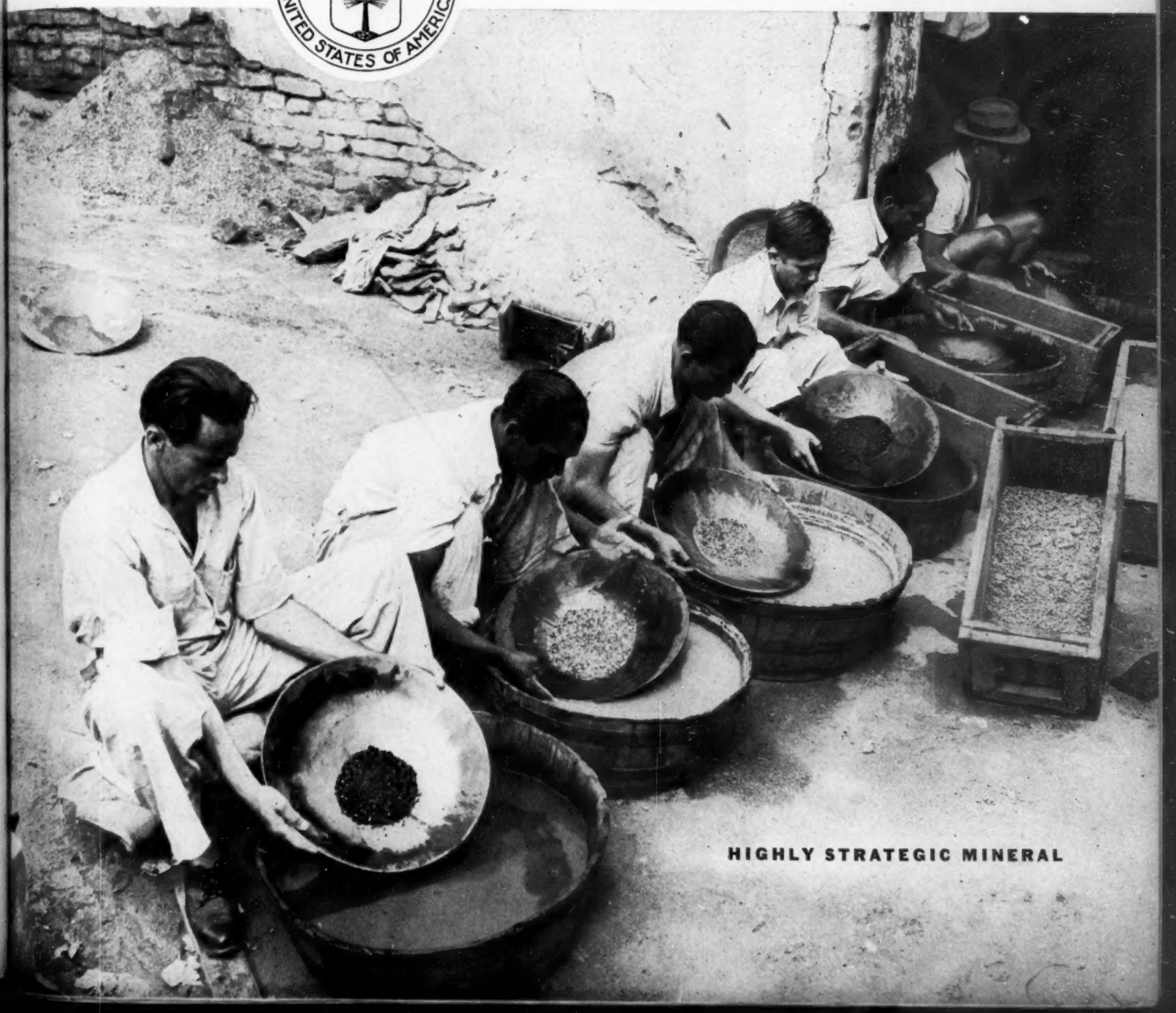

HIGHLY STRATEGIC MINERAL

Foreign Commerce Weekly

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THIS WEEK

Rubber—Procurement in the Western Hemisphere 3

Imports by Air 4

Tantalite 6

Aviation in Brazil 8

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Seattle 4, Wash., 809 Federal Office Bldg.

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News by COUNTRIES

Argentina 12
Belgian Congo and Ruanda-Urundi 13
Brazil 14
Canada 14
Chile 14
Colombia 15
Cuba 15
Czechoslovakia 15
Ecuador 15
Finland 16
French North Africa 17
Madagascar 17
Mexico 17
Mozambique 17
Paraguay 17
Peru 17
Surinam 18
Switzerland 18
United Kingdom 19
Uruguay 19

News by COMMODITIES

Chemicals 20
Coal 20
Construction 20
Electrical Machinery and Equipment 20
Foodstuffs and Allied Products 21
Furs 23
Iron and Steel 23
Lumber and Products 23
Machinery, Other Than Electrical 24
Medicinals and Crude Drugs 24
Motion Pictures and Equipment 24
Naval Stores and Resins 24
Nonferrous Metals 25
Nonmetallic Minerals 25
Oils and Oilseeds 25
Paints and Pigments 26
Paper and Related Products 26
Petroleum and Products 26
Rubber and Products 26
Scientific and Professional Equipment 27
Soaps and Essential Oils 27
Special Products 27
Textiles and Related Products 27

REGULAR DEPARTMENTS

Export Control and Related Announcements 30
Foreign Commerce Statistical Decision 33
Trade-Mark Applications 29
New Books and Reports 33
Latin American Exchange Rates 32
Pertinent Comments on World Economy Today 13
Contributor's Column 34

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RUBBER—

Procurement in the Western Hemisphere

Presenting Pertinent Data as to Operations, Aims, Expenditures, and Actual Cost of Rubber Obtained

By S. Earle Overley, *Rubber Unit, Bureau of Foreign and Domestic Commerce*

FROM THE MOMENT when supplies of natural rubber from the major Far Eastern producing countries became inaccessible to the United Nations, it was necessary to use every effort to get such supplies from whatever other sources could be developed. With the passage of time and the gradual dissipation of the natural-rubber stockpile, the importance of this program has not diminished. Even today, with synthetic rubber produced in constantly increasing volume, the necessity for natural rubber in making heavy-duty airplane, truck, and bus tires remains among our most urgent problems.

Control over the procurement of natural rubber in the Western Hemisphere was divided between several governmental agencies in the beginning of the emergency period. In early 1943 this task definitely became the duty of the Rubber Development Corporation.

At the inception of the program, aside from the output of Amazon countries, the production of natural tree rubber in the Western Hemisphere had decreased to less than 1,750 tons per year, whereas exports from the same area had been more than 10,000 tons in 1910. The possibilities for obtaining rubber were evident, but it was necessary first to make agreements with the various governments—next, to send representatives to implement the agreements. The terms of the contracts varied, in some cases involving development work in cooperation with the foreign governments and in other cases permitting direct action by our representatives.

Men were employed to explore the forests, contractors were selected and financial agencies were established to loan money to contractors to carry on the work. Assistance was given in recruiting men as tappers, and aid in instructing the men in proper methods of tapping and in gathering and handling the latex. This whole program was expensive and time-consuming.

Amazon Developments

The Amazon countries of South America represent the largest potential source of wild rubber, and the chief producing areas are located nearly 2,000 miles from the sea. When the program was planned, transportation facilities and labor were entirely inadequate. It was necessary to expand the transportation facilities, recruit many thousands of tappers, buy and transport equipment and food, in the face of shortages both of labor and supplies. All in all, it was a mammoth undertaking to organize and coordinate the work in the tropical forests under the jurisdiction of not one but *several* foreign governments.

Mr. Douglas Allen, president of the Rubber Development Corporation, has estimated (on the basis of the actual disbursements through October 31, 1943) that the total disbursements from the beginning of the program to December 31, 1943, plus obligations due but not paid, will approximate $83,162,823 for the natural-rubber program in the Western Hemisphere.[1] This figure includes the cost of the rubber purchased, plus the development expenditures, capital investments, loans, and the operation and administration expenses of the Corporation. No deductions have been made for inventories of tappers' supplies and equipment, of the foodstuffs held for sale, nor of tires and tubes; and the tires and tubes alone were valued at $4,823,682 on October 31, 1943. Of the $83,162,823, approximately $59,710,477 will have been expended in the Amazon countries.

Our Imports Increase

United States imports of natural rubber from the Amazon countries for the first 10 months of 1942 and 1943 may be compared as follows:

Ten months—	*Long tons*
1942	3,575
1943	11,040

The percentage of increase was 209.

These figures do not include shipments lost at sea through enemy action or other causes. In addition, the rubber content of tires and tubes acquired amounted to 2,143 long tons in 1942 and 2,626 long tons in 1943. It is estimated that the imports from the Amazon countries from April 1942 through December 31, 1943, including the rubber content of tires and tubes, will approximate 23,700 long tons. If the total expenditure of the Amazon countries were to be charged against this tonnage, the cost would be $1.12 per pound.

[1] Excluding the cryptostegia plantation in Haiti.

United States imports of natural rubber from the Western Hemisphere for the first 10 months of 1942 and 1943 may be compared as follows:

Ten months—	*Long Tons*
1942	9,548
1943	22,380

The percentage of increase was 134.

In addition to the above, the rubber content of tires and tubes acquired amounted to 2,143 long tons in the 10-month period of 1942 and to 2,836 long tons in the like period of 1943. It is estimated that imports from all Western Hemisphere sources from April 1942 through December 31, 1943, including rubber content of tires and tubes, will approximate 45,000 long tons. If the same procedure were followed as with the Amazon countries of charging the total expenditure against the estimated imports, the cost of rubber from the Western Hemisphere would be 82 cents per pound.

Cost Comparison

Under the present circumstances, the value of a pound of natural rubber is a debatable question. The recent costs may be compared with the declared value of United States imports for the years 1909 to 1912, inclusive, broken down into Western Hemisphere, Amazon countries, and total:

Year	Western Hemisphere	Amazon countries	Total[1]
	Per pound	*Per pound*	*Per pound*
1909	$0.667	$0.779	$0.844
1910	.918	1.195	1.087
1911	.908	.921	.898
1912	.687	.683	.843
Average	.788	.881	.912

[1] Average for declared imports from all geographic areas.

Exports of natural tree rubber reached their peak in the Western Hemisphere during these years. Therefore the production facilities and costs should reflect

(Continued on p. 11)

Facts, Here Published for the First Time, About a Memorable Phase of 1943's Commodity Movements—

Imports by Air

By *Lieut. (jg)* LANGDON P. MARVIN, JR., USNR, *Chairman, Interdepartmental Air Cargo Priorities Committee, War Production Board*

MUCH OF THE DISCUSSION of the importance of air cargo has suffered from one or the other of two extremes—either an overly-futuristic point of view which neglects some thorny facts or, on the other hand, a backward view glued to a too-distant past.

Maybe this is because *facts* on movements of cargo by air are curiously incomplete. If you want to know how much and what was imported and exported by ocean vessels in the past, you can go back as far as 1790 in the files of the Commerce and State Departments. But with imports and exports *by air*—why, complete records were started only in the year 1943, long after planes had begun to haul freight in volume.

However, the records on imports by air in 1943 may be a small contribution toward a sound basis for analysis and planning of air cargo.

Here they are—the relevant figures on movement of imported materials by air compared with imports by ocean vessels from noncontiguous territories and foreign countries:[1]

In the calendar year 1943, the *volume* of United States imports by ocean vessel was approximately 25,150,000 long tons [imports by rail are not here considered]; by airplane it was 41,000,000 *pounds*, or 0.072 percent of the total volume by ocean ship (1.67 pounds by air for each long ton by ship).

The *value* of the 1943 imports by ocean vessel may be given as $1,991,897,000; by airplane, $116,209,000, or 5.83 percent of the total value of ocean cargo in the import trade.

The *average unit value* of 1943 imports by ocean vessel was $0.035 per pound; by airplane, $2.85 per pound, or 81 times the average unit value of ship cargo.

Safety factor (a very variable comparison): approximately 20 times as safe by air as by sea.

Speed (also a variable comparison): Air transport approximately 6 times as fast as that of ship cargo—port to port.

[1] The figures for 1943 are not yet complete; therefore the writer has projected figures for the *major* part of the year for the *whole* year. Remember, too, that these figures include only *cargo* by air, and exclude passengers and mail. The figures on air cargo include imports into the United States by Army, Navy, commercial or foreign planes (as compiled from Customs entries by the Department of Commerce) and shipments of strategic raw materials from China to India on planes owned by or under contract to the United States, as reported by State Department and Foreign Economic Administration representatives.

Official U. S. Navy photo

Sailor unloading bags of Brazilian tantalite (see article beginning on page 6) from the Navy's giant seaplane *Mars* at Patuxent, Md., in December 1943. These bags of tantalite, doubled-bagged with canvas, weigh 110 pounds net.

Some Striking Comparisons

To roll all the figures on imports into one sentence, we may say that during 1943 a unit of air cargo was 1,381 times smaller, 81 times as valuable, about 20 times as safe, and moved about 6 times as fast as cargo on ocean vessels.

Last spring I made a "guesstimate" that imported air cargo would run *pound for ton* compared with ship cargo. I was conservative. Counting in the shipments from China to India, closer to *2 pounds* of cargo have moved by air for each long ton by ship.

Of what importance are these imports by air?

In terms of tonnage they are very small—in fact could all be carried by two Liberty Ships.

In terms of dollar value they are small, too.

Their real importance lies in the nature of the materials themselves and the timing of their arrival. Obviously it would be no contribution to the war effort to fly 20,000 tons of nonessential imports such as bananas, coffee, or sugar—or even 20,000 tons of manganese, copper, and bauxite, essential materials but needed in many thousands of tons.

As for dollar value, that is relatively unimportant in time of war; recently we turned down an application for priority to import by air a small amount of luxury material worth $1,500 a pound, and we are now giving top priority to large amounts of a strategic raw material worth less than 5 cents a pound. (Incidentally, the Army and Navy Air Transport Services are especially important in handling these highly strategic imports

Official U. S. Navy photo

Flying down to Rio: Swooping around the famed Sugar Loaf peak, a Naval Air Transport plane from the United States glides into a landing at the Brazilian capital (see article beginning on page 8)—one of the many stops on NAT's world-wide lines.

of low dollar value—which could not possibly afford a regular commercial air freight rate.)

"The Cream of Our Imports"

Naturally, priorities are given only to the cream of our imports, to materials of relatively light tonnage which are urgently needed for war production, for example:

Mica: For insulation in radios and aircraft magnetos.

Quartz crystals: For radio oscillators.

Tantalite: For electronics and other purposes.

Columbite: For stainless steel.

Beryllium: For aircraft engines and essential copper alloys.

Industrial diamonds: For special dies and cutting tools.

Rare drugs—and other materials for war purposes.

On these, and on other raw materials that are not mentioned here for reasons of security, depend production schedules of war equipment worth billions of dollars and many thousands of lives.

Without the amazing performance of the Army Air Transport Command and the Naval Air Transport Service in flying strategic raw materials, the production of some of our most vital war equipment would have lagged dangerously behind its present level.

Priorities System

Air transportation has been thought of almost exclusively in connection with delivering military supplies and personnel to combat theaters, and this is rightly its primary function. But the vast war-production machine that has been built up in the United States requires huge supplies of raw materials, including many rare minerals which are seldom heard of by the public, and the peacetime consumption of which is almost negligible.

Therefore, while imports of strategic raw materials play second fiddle to exports of military supplies and personnel, they are nevertheless an important function of the Army Air Transport Command, the Naval Air Transport Service, commercial and foreign planes operating overseas.

Many of our most important production programs—particularly aircraft parts and electronics—are in good part supplied by strategic raw materials flown from India, Africa, Australia, and Latin America, and flown out of China by the Army and the China National Aviation Corporation over 20,000-foot mountains.

Our priorities job has been essentially simple since we first issued a priorities schedule in March 1942. Careful analysis is made of the raw-material requirements of industry for making war equipment, of the status of stockpiles here, and of the world supply situation. The last-named is important—for some of the materials are so scarce, the world over, that losses at sea would be irreplaceable and would therefore cut seriously into production.

In point of fact, 90 percent of the materials for which we have given priority are owned by the Governments of the United States, the United Kingdom, or the Soviet Union. But priority depends upon *the importance of the material* and not upon its ownership. Applications for priority for private importers are therefore given the same consideration as applications from United States or Allied Government agencies.

Monthly schedules of shipments by air from foreign points are established so as to time the arrival of the right quantity of the right materials to fit into production. These general schedules are all discussed and reviewed by the Interdepartmental Air Cargo Priorities Committee, on which sit representatives of the industry divisions of the War Production Board, the Army Air Transport Command, the Naval Air Transport Service, the State Department, the Foreign Economic Administration, and other interested agencies of the United States Government as well as representatives of the Governments of the United Kingdom and the U. S. S. R.

Naturally, the requests of the United Kingdom and the Soviet Union are given equal treatment with requests to fly materials for United States consumption, since it is equally important to keep up *their* production of war equipment.

(Continued on p. 31)

Official U. S. Navy photo

Crew going aboard the *Mars* for take-off on the longest nonstop cargo flight (Patuxent, Md., to Natal, Brazil), 4,300 miles in 28 hours 25 minutes—with the heaviest load ever lifted by a plane, namely, 148,500 pounds.

Brazil's Role in World Output of

TANTALITE—

One of Today's Notable "Imports by Air"

By the Office of the Coordinator of Inter-American Affairs

DEEP IN THE BARREN INTERIOR of northeastern Brazil, Americans and Brazilians are waging a hide-and-seek battle with Nature to find and mine *tantalite*, the new "black gold" of the United Nations' war effort. This exemplifies the vigorous, rigorous efforts in tantalite mining that are being made today in diverse regions of the earth—including Australia, Nigeria, Uganda, Southern Rhodesia, and the Belgian Congo.

Few people, possibly, have heard of tantalite, yet this rare pitch-black mineral ranks as one of the most important resources in the whole Allied war chest. The reason is this: Tantalum, the metal derived from tantalite, gives added power and range to United States and United Nations war weapons.

C. I. A. A. photo

Close-up of the rare war metal, tantalite, after washing and rewashing at a mine in northern Brazil.

While certain of tantalite's exact uses are a military secret, the heavy wartime demand for the mineral is evidenced by its "air priority." Among the strategic minerals rushed by air to the United States from Brazil and other nations, tantalite holds *the top rating:* A–1–a [see the article "Imports by Air," beginning on page 4 of this issue of FOREIGN COMMERCE WEEKLY]. The United Nations want all the tantalite they can get, and they want it quickly.

Biggest Problem

The production of tantalite in northeastern Brazil is far from easy, as Brazilians and Americans toiling in the torrid sun of the bleak "sertão" (interior) have learned. The paramount problem is that of locating the black substance in the mountainous area that stretches in a wide arc of 3,600 square miles through the States of Paraiba and Rio Grande do Norte.

Mining men compare tantalite mining to the proverbial "looking for a needle in a haystack"—because tantalite ore usually is found clustered with other minerals in towering, odd-shaped rock formations called pegmatite dikes or in alluvial deposits beneath the level valley land. Determining which of the thousands of dikes and deposits in the region contain sufficient tantalite to warrant a costly mining effort is exceedingly difficult.

Frequently a likely-looking lode will yield a few pounds of high-grade ore, then peter out. An obscure mine, on the other hand, may be a rich source of supply. It is also difficult to distinguish tantalite ore from other minerals with similar characteristics.

At best it is a touch-and-go business, with Nature seemingly intent on leading the tantalite hunters a merry chase.

Production Mounting

This battle of men versus Nature is being fought on a battleground that closely resembles the semiarid Southwest in the United States—generally rainless, thin-grassed back country of granite-faced mountains and occasional spiny cactus plants. Nature is slowly losing the battle: tantalite production in 1943 zoomed 140 percent over the preceding

year, and the 1944 output is expected to double that of last year.

The most discouraging factor in tantalite mining is the small amount of product that results from an incredibly great amount of work. As one operator says, "We're pouring out gallons to get a drop."

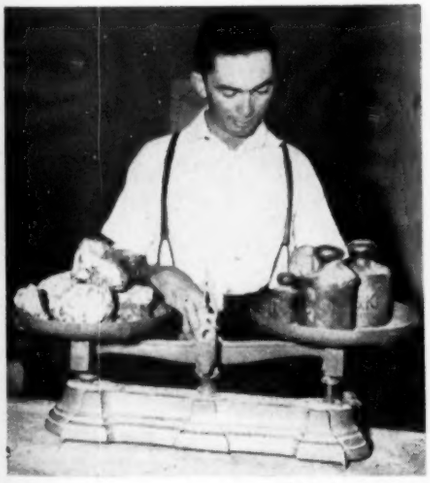
Tantalite mining, despite the recent arrival of American mechanical equipment, is still basically a hand-picking and hand-washing operation. An estimated 3,000 tons of rock must be mined to get 1 ton of tantalite, and it takes one man 130 days to crush, wash, and prepare a ton of the ore for shipment.

Four Hundred Mines

Sweating with pick and shovel in the tropical sun, about 8,000 Brazilian laborers are moving broken rock and working deposits to extract the vital tantalite resources for the United Nations. These men form the "tantalite army" which moves into areas that have been surveyed and checked by Brazilian and United States Government engineers. Altogether some 400 mines are being operated, all by private prospectors and companies that sell the tantalite to exporters—the middlemen—who, in turn, sell the bagged, graded mineral to the United States Government.

The role of the U. S. Government in tantalite production is one of buying, furnishing financial aid, and supplying technical assistance. By an agreement with the Brazilian Government, the U. S. Purchasing Commission of the former Board of Economic Warfare (now a part of the Foreign Economic Administration) buys all of Brazil's tantalite output and aids in the stimulation, the development, and the swift exploitation of mines.

As its contribution, the Brazilian Government assigned technicians to work with United States engineers to speed up tantalite production. In 1940, before the urgent quest for the mineral began, Brazil's National Department of Mineral Production built a chemical laboratory at Campina Grande to analyze and grade the ore.



C. I. A. A. photo

Tantalite buyer balancing the mineral on his scales.

C. I. A. A. photo

Sifted earth being run through a water-box at a tantalite mine.

Axis Frustrated

Fundamental in any tantalite discussion is this one fact: Brazilian-United States cooperation today is augmenting the Allied supply of one of the world's most-prized minerals and, at the same time, is denying it to our German and Japanese foes. The latter fact is highly significant—for Axis agents, several years ago, were busy in northeastern Brazil buying up all the coal-like minerals that they could lay their hands on.

Fortunately for the nations that now constitute the Allies, Brazil's tantalite production was very low during the 2 years of feverish Axis activity. Thus, while *some* tantalite fell into enemy hands, the amount was almost negligible, and, after Pearl Harbor, Brazil's door was slammed shut to further Axis purchases. Mining men now say that the Germans and the Japanese would give almost anything to get some tantalite for their war plants.

Expensive Effort

Tantalite mining is an expensive undertaking. While the workers' wages are not high, the average producer finds it somewhat difficult to make both ends meet, chiefly in consequence of the basic factor previously mentioned: the small quantity of tantalite that he is likely to mine after an extremely laborious effort. As a result, producers manifest a tendency to turn to simpler and more profitable operations such as scheelite mining, and the USPC is hard-pressed to check this trend.

Because many Brazilians in "the northeast" felt that the tantalite business was a war bubble that might burst when peace came (and they were therefore somewhat reluctant to become too heavily engaged in it), the USPC eased the mine-owners' burden through financial aid and improved prices. Influential, also, has been the mounting realization that tantalite appears to have a remarkable peacetime future in the field of electronics.

Up-Swing Is Recent

The USPC's tantalite program did not get into full swing until last February, after a preliminary geological survey in the summer of 1942 had shown the feasibility of a large-scale mining effort. Brazil's ore, largely averaging better than 45 percent Ta_2O_5 (tantalum pentoxide) was found to approach the quality and to exceed the quantity of ore mined in Australia, the other major source of tantalite. Some Brazilian prospectors have been mining tantalite on a small scale since 1927, and the industry took form in 1937—but it was the exigent, pressing quest for the mineral, to further the war effort, that set the activity in the "northeast" area really *booming*.

Communications to the tantalite mines have been a problem. Mountains, valleys, and the absence of highways largely precluded truck traffic, and roads had to be opened up. USPC alone has added

(Continued on p. 30)

Aviation in Brazil—

Salient Aspects of Today's Lines, Services, Plans

By MARY B. MACKRILL, *Industrial Projects Unit, Bureau of Foreign and Domestic Commerce*

BRAZIL has developed air transport to impressive proportions, providing more than 37,728 unduplicated route miles, or more than one-half of the total of 73,544 for South America. Brazil is also first in scheduled miles flown per week, or 175,013 out of the 393,593 for the 10 republics. In 1941, 99,662 passengers were air-borne as compared with 86,071 in 1940.

President Getulio Vargas, an ardent supporter of air transportation, has been called "The Friend of Aviation," and air-mindedness does not have to be "sold" to the Brazilians.

Brazil, which occupies a key position in the Western Hemisphere, has only 23,106 miles of railway, 129,057 miles of highways (mostly crowded near the coast line), and 27,000 miles of navigable rivers in an area of 3,276,000 square miles. These are inadequate surface transport facilities for the estimated population of 42,395,000 in an area which constitutes almost half of the 6,952,000 square miles of South America.

The country's 700 airports, which range from dirt fields in isolated jungles to the elaborate airports at Rio de Janeiro and Sao Paulo, are the beginning of the answer to this problem of transportation. Brazil is feeling the exigent impact of the war on its surface transportation facilities and is meeting it largely through the instrumentality of a fast-growing web of air lines.

Today, exceedingly varied cargoes leaving Brazil are utilizing air transport. Planes rush industrial diamonds, mica, rubber, mineral concentrates, quartz crystals, and other strategic materials to meet war needs—derris cuttings are air-borne for the production of rotenone, a valuable insecticide—seeds are carried to start cinchona trees for quinine.

In 1927, three commercial aviation companies operated over lines totaling only 3,975 miles in length, with 13 planes. In April 1931, the Department of Civil Aviation was created and covers all branches of commercial, civil, and private aviation. On January 20, 1941 (Decree No. 2961) an Air Ministry was formed to control and coordinate all flying activities in Brazil. The Department of Civil Aeronautics is divided into four branches, Administration, Traffic, Operations, and Meteorology, and there are 10 civil aeronautical regions. The Minister of Aeronautics, Dr. Joaquim Pedro Salgado Filho, visited the United States in July 1943 to inspect airplane factories and to gather information helpful in the aviation-expansion program.

Rio the Center

Rio de Janeiro is connected with each capital of the 20 States and the Territory of Acre, which, with the Federal District and the 5 territories recently created, constitute the United States of Brazil. It is linked with the capitals of the 8 countries of South America which touch Brazil's frontiers, as well as with Chile and Ecuador on the western coastline. International transcontinental and global air lines now in operation give it contact with world centers. Between Rio de Janeiro and Sao Paulo alone, 5 air lines have more than 43 weekly services.

Rio's Santos Dumont Airport, only a 2-minute drive from the financial district in the heart of the city, made a fine record in 1941 when 17,482 airplanes landed and took off during the first 8 months of the year.

Links With U. S.

Brazil and the United States, in numerous ways, complement each other commercially and economically—a fact strikingly brought out in many previous articles in FOREIGN COMMERCE WEEKLY. Although the two countries speak different languages, there has been a traditional friendship through the years of pioneering together. Today, aviation effectively links these two countries, and air service has made countless striking contributions to the hunt for strategic supplies and their safe, swift delivery.

Time Saved

From Rio de Janeiro to Buenos Aires, Argentina, surface travel takes 4 days—an airplane covers the distance in 7½ hours. To Asuncion, Paraguay, a trip that requires 10 days on the surface is made by an airplane in 6 hours.

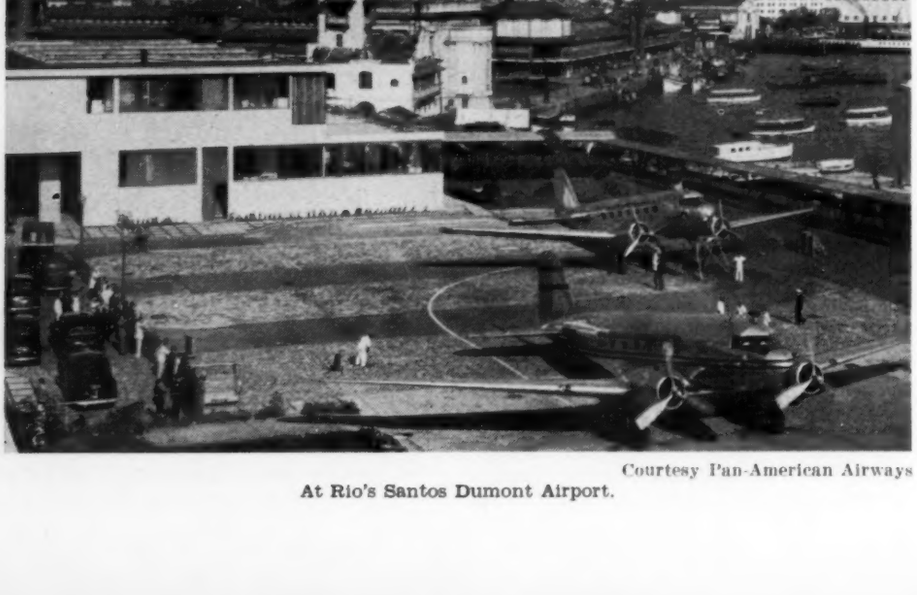
Belo Horizonte can be reached by train from Rio de Janeiro in 16½ hours, by air in 75 minutes. A trip by coastal steamer from Rio de Janeiro to Porto Alegre requires from 4 to 5 days; an airplane flies the distance in 6 hours.

Data on Progress

The following table presents a comprehensive picture of the growth of Brazil's air-transport facilities during a 10-year period:

Item	1930	1939	1940
Landing fields...number	31	(1)	512
Distance flown kilometers	1,077,977	6,919,651	6,939,682
Flights.....number	1,767	8,052	7,900
Passengers carried...do	4,567	63,423	70,734
Baggage.....kilograms	23,864	894,940	999,864
Pilots.....number	27	98	160
Radio operators.....do	(1)	50	114

[1] Figures not available.



Courtesy Pan-American Airways

At Rio's Santos Dumont Airport.

Network of Lines

Among the air lines operating into and within the borders of Brazil and making connections with other countries are: International routes—Pan American Airways, Inc. (PAA); Panair do Brasil (PANAIR), affiliate of Pan American Airways, Inc.; Viação Aerea Rio Grandense (VARIG); and Empresa de Transportes Aerovias Brasil, S. A. (AEROVIAS); and Serviços Aereos Cruzeiro do Sul (CRUZEIRO). Domestic lines—Correio Aereo Nacional (CAN); Navegação Aerea Brasileira, S. A. (NAB); Viação Aerea Sao Paulo, S. A. (VASP); and Linhas Aereas Paulistas.

In 1937, the Government began to enforce the regulation that only Brazilian pilots might fly over Brazilian territory, but an exception is made for the international air lines.

Pan American Airways, Inc., has maintained services with the United States and other counfries of Latin America, besides connecting the main cities within Brazil—providing the main artery of north-south air travel in connection with its international flights from Miami (Fla.) to Buenos Aires.

Improvements

An announcement by the Pan American Airways System indicates that the 24½-hour aerial trunk line from Miami to Belem, Brazil, soon will be improved by the addition of night lighting. This will step up the number of flights along this route, offering better services to passengers and better facilities for express and mail, though it will require extensive work to install the high-powered beacons that will be required.

When the installation of night-lighting is completed throughout the route to Rio de Janeiro and on to Buenos Aires, the present night stop-over at Port-of-Spain, Trinidad, will be eliminated and a 24-hour continuous operation of schedules on thousands of air miles will prevail, as it does in the United States.

PAA's Eastern Division

In its Eastern Division, Pan American Airways, Inc., has two cities in Brazil for outlet to the war zones—Belem and Natal. Belem, the first port of call, is the capital and port city of the State of Para—a fortress more than 300 years ago, today a hub of air and waterway communications in the Amazon region, a pivotal point of transshipment. It is the headquarters for the migratory workers who are trekking westward along the 2,200 miles of jungle to Manaos, where rubber is king. Colorful watercraft of many designs crowd the water front of this busy air terminus, and wings of airplanes shadow them.

Natal, the air point nearest Africa and Europe on the southern continent, is a veritable beehive of activity today, with air services converging at this strategic port. The first airport in Brazil was built at Natal, and that city was the first to set up a school of civil aviation. Natal's airport is said to be the largest in the world. From Natal connections

Courtesy Pan-American Airways

Air express for Brazil.

are made with air lines which encircle the southern continent, and airplanes for the war zones wing their way out across the Atlantic.

Direct Line South

From Belem, Pan American Airways' route continues to Rio de Janeiro, 1,534 miles, over an infinite variety of scenery, with only one stop, at Barreiras, a port for steamers on the Rio Grande River, which drains a rich rubber, timber, and cattle area, in the State of Bahia. The services between Miami and Rio de Janeiro (and on to Buenos Aires) has been stepped up to daily frequency; three flights per week, each way, are along this cut-off, Belem, Barreiras, Rio de Janeiro, while the other four are on the longer route serving port cities.

Around the Bulge

The second route, "around the bulge," provided by Pan American Airways stops at Belem and includes the cities of Sao Luiz de Maranhao, situated on an island 250 miles southeast of Belem; Fortaleza de Nova Braganca, capital of the State of Ceara, with a splendid airport to serve this area; Natal; Recife, capital of the State of Pernambuco, a sugar-growing region; Maceio, port and capital city of the State of Alagoas; Sao Salvador da Bahia, capital of the State of Bahia and fourth city in size in Brazil; proceeding then to Rio de Janeiro, covering a distance of more than 2,000 miles.

From Rio de Janeiro, the Pan American Airways' route extends to Sao Paulo, Curitiba, Iguassu Falls, Asuncion (Paraguay), and on to Buenos Aires (Argentina), approximately 1,600 miles. Sao Paulo has been made a regular port of call for the international route.

Panair do Brazil

Both a domestic and an international commercial air line, PANAIR started as a Brazilian concern in 1930. A subsidiary of the Pan American Airways System, its flying operations have been confined to Brazil, except for the route to Asuncion, Paraguay. Recently an extension of PANAIR has been granted, and the first prolongation of the Amazon Basin route is projected from Benjamin Constant to Iquitos, Peru, which will give another Atlantic-to-Pacific route.

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Courtesy Pan-American Airways

Businessmen flying to or from Brazil get good hot meals, prepared in the spacious "galleys" of the planes.

PANAIR serves the States of Para and Amazonas in the Amazon Basin between Benjamin Constant and Manaos. Two routes operate out of Manaos, one to Porto Velho and the other east to Belem. Stops are made at intermediate points along these three lines.

Along the eastern coast line from Belem to Rio de Janeiro, PANAIR operates a route paralleling much of PAA's route, but giving more time to the intermediate stops; inland flights continue to Curitiba, Iguassu Falls, and Corumba, on the western frontier which touches Bolivia, and extend to Asuncion, Paraguay, where contact is made with airplanes on to Buenos Aires and west-coast routes.

At Porto Velho in Amazonas, PANAIR connects with CRUZEIRO's route; and by connection at Guayaramerin in Bolivia, a transcontinental air route affords service from the Atlantic to the Pacific. This busy air system thus skirts the entire coast line, operates up the Amazon, and provides domestic service to the vast hinterland.

For the year 1942, PANAIR reports 47,516 passengers carried, a substantial increase over the 25,392 served in 1941. The cargo carried on its system jumped from 185,674 kilograms in 1941 to 483,511 kilograms, or 483.5 metric tons, in 1942.

Night-Lighted Airway

Night flying between Belem and Fortaleza was inaugurated on September 1, 1943, by PANAIR, which makes the flight from Rio de Janeiro to Belem in one day with stops at Bahia, Maceio, Recife, Natal, Fortaleza, and Sao Luis. Three flights a week are made between Belem and Fortaleza and four flights between Fortaleza and Rio de Janeiro. This commercial night-lighted airway eliminates overnight stops at Fortaleza.

On the new aerial cut-off route between Belem and Rio de Janeiro, the flight is made in 8 hours with intermediary stops at Carolina (Maranhao), Barreiras (Bahia), and Pirapora (Minas Gerais).

Viação Aerea Rio Grandense

"VARIG," as the route is commonly designated, was organized May 7, 1927, and started operations in June 1927, thus marking the formal opening of the first domestic commercial air line in Brazil. Early services were confined to the southernmost State of Rio Grande do Sul from Porto Alegre to Rio Grande, a distance of 160 miles.

One of VARIG's routes operates from Porto Alegre to Pelotas, Jaguaro, Montevideo (Uruguay), which makes it an international route, covering more than 400 miles—a twice-weekly service.

Another twice-weekly service on an all route of some 143 miles is one from Porto Alegre to Santa Cruz, Cruz Alta, and Passo Fundo.

VARIG has one route from Porto Alegre which operates through Pelotas, Bage, Livramento, to Uruguaiana, a distance of 462 air miles.

This air line is fourth in Brazil in length of route miles, with 1,045 unduplicated route miles. Scheduled miles flown each week total 5,803.

Correio Aereo Nacional

CAN provides Brazil with a splendid air-mail service. It has 10,625 unduplicated route miles over which are flown 30,774 scheduled miles each week on 10 routes which extend throughout the Republic; services are available to approximately 120 cities and towns. There have been provided more than 100 emergency stops in various parts of the country.

Such service has been a splendid proving ground for training young pilo'ts for civil aviation and for Army and Navy air personnel. The mail has gone into the hinterland regularly despite storms and tremendous difficulties which might have daunted less courageous fliers than these young Brazilians.

Navegação Aerea Brasileira

Navegação Aerea Brasileira has 2,855 unduplicated route miles, and 11,954 scheduled miles are flown per week. Founded in 1939, it initiated, on February 6, 1941, a route from Rio de Janeiro to Fortaleza, a distance of 1,430 miles, to serve the industrial and agricultural centers on the "bulge." Additional service was extended to Recife from Petrolina. The route in operation is Rio de Janeiro—Belo Horizonte—Bom Jesus da Lapa — Petrolina — Fortaleza — Recife—Teresina—Belem.

Viação Aerea Sao Paulo

One of the most important lines of air travel, because of the heavy traffic between Rio de Janeiro and Sao Paulo, a distance of 225 miles, is VASP. This air line was started in 1934 (contract signed October 3, 1935, approved December 14, 1935). There are three trips each day; the flight is made in 1 hour and 20 minutes, as compared with the 12 hours necessary for the fastest passenger train. This is particularly advantageous to businessmen who can in one day visit and transact business in the two largest and most prosperous cities of Brazil.

VASP has 806 miles of unduplicated air lines, and 9,228 scheduled miles are flown each week. From Sao Paulo the route has been extended to cover the cattle, coffee, and other industrial cen-

ters in the neighboring States of Minas Gerais and Goiaz, a distance of 582 miles. With daily service except on Sunday, this route covers Sao Paulo and Ribeirao Preto, in the State of Sao Paulo; Francia, Uberaba, Uberlandia, and Araguari, in the State of Minas Gerais; and Catalao, Ipamert, Anapolis, and Goiania, the terminus, in the State of Goiaz.

Serviços Aereos Cruzeiro

CRUZEIRO began operations under the Republic's control on November 21, 1942, successor to the famous Condor line. It has more than 8,600 unduplicated route miles, and flights exceed 20,000 scheduled miles per week. There are nine different local routes now in operation which serve the coast line from Rio de Janeiro north to Belem. From Rio de Janeiro, CRUZEIRO's route proceeds along the eastern coast south to Porto Alegre, and continues to Buenos Aires, Argentina. Northwest from Rio de Janeiro it goes into isolated sections from Cuiaba, capital city of Matto Grosso, and services small river towns, stopping at new airports that had to be hacked out of jungle areas. It is projected to continue on to Cruzeiro do Sul on the Moa River in the Territory of Acre.

While airplanes are meeting the need for traffic during these war times, it is of interest to realize that riverways are the fundamental highways of a great portion of Brazil. The balsa raft and canoe are as important to these river folk as a means of transport as the horse and buggy once were to the pioneers in the United States, and while airplanes are blazing the air trails for sky trucks, it is reasonable to expect that river traffic will be augmented tremendously in the future days of continued expansion of transport facilities in this western hinterland.

Empresa de Transportes Aerovias Brasil, S. A., was granted permission to establish commercial air traffic on December 29, 1942.

Linhas Aereas Paulistas was organized late in 1943 to provide additional services between the State of Sao Paulo and other States and territories in Brazil.

Aero Clubs of Brazil

The Brazilian Government has encouraged the establishment of aero clubs, and most of the important cities have them, although in some instances there has been a lack of airplanes for instruction purposes. Each year since 1935 "Wing Week" has been celebrated in the Federal District, to focus national attention on civil aviation.

An account of a typical one held in 1939, promoted by the Aero Club of Brazil with the cooperation of the Army and Navy air arms, will give an idea of the character of the efforts and stimuli. There was, for example, the presentation of pilots' licenses by the President to the graduates of the various pilot schools of the aero clubs and other aviation schools. A National Circuit Race for amateurs was from Rio de Janeiro to Belo Horizonte, Sao Paulo, Curitiba, Santos, and return to Rio de Janeiro. This course is considered tricky because of the mountainous terrain of the lap between Sao Paulo and Curitiba. These were not speed contests but efficiency demonstrations. Other contests included parachute jumping, gliders, model airplanes.

The program included the showing of historic motion-picture films; one was taken in 1901 when Brazil's aviation hero, Santos Dumont, flew around the Eiffel Tower in Paris to prove that balloons could be directed, and the other dated from October 23, 1906, when Santos Dumont made another memorable flight.

The Department of Civil Aeronautics promoted an airplane exhibition, displaying types of commercial, private, military, and instruction ships; and, also, aircraft designs were offered by students. In 1939, 16 training planes and 2 gliders were acquired for the aero clubs. The Government set aside a subsidy of 1,500,000 cruzeiros in the 1938 budget for aero clubs, glider clubs, and aviation schools.

Horizons Are Wide

Brazil is driving steadily ahead for increased world commerce in the air age. Brazilians are planning scientific airports and building a close-knit air service for foreign commerce on the trade routes of the air world. On the sky-ways systems, freighters are going to remote places. Unique solutions are being found to unusual problems of traffic flow.

Post-war economic reconstruction will require increased air transport, as well as better facilities on railroads, highways, coastwise and international steamships, and there is a nation-wide program to assure Brazil's place among the primary countries of the world by improving and expanding airways.

The expansion of aviation and of the airplane industry in Brazil apparently has no *calculable* horizon.

Courtesy Pan-American Airways

Panair do Brasil plane at a Brazilian airport.

Rubber

(Continued from p. 3)

a certain amount of stability under the sustained production.

The costs referred to by Mr. Allen may also be compared with the cost of imports for 1926, when the United States crude-rubber dealers and manufacturers imported 417,643 long tons at an average declared value of $0.5443 per pound. The imports for February 1926 were 33,257 long tons, and the average declared value was $0.7924 per pound. Practically all of the rubber obtained in 1926 was produced in the Far East, and the high values were not caused by production or labor costs but were brought about by regulations set up by governments of the producing countries which restricted production and contributed to a temporary shortage of supply.

In connection with the costs indicated by Mr. Allen, due consideration should be given to the fact that the cost of future imports should be materially lower, as the greater part of the capital investment has been made—that expenditures for exploration and equipment will be less—and that recoveries on loans, tires-and-tubes inventories, and supplies of foodstuffs are to be expected.

Finally, any appraisal of current rubber-procurement costs must have in mind what the position would be today in absence of rubber agreements and with free market conditions. It is clear that, under such conditions, not only would the price, stimulated by competitive buying from numerous countries, be far higher than current costs of procurement, but, also, much of the rubber now being obtained by the United States would not be reaching our shores.

Wattle extract exported from Kenya in 1942 was valued at £155,256.

News by COUNTRIES

Argentina

Economic Conditions

Continued good weather in November favored forthcoming crops of all light grains and strengthened the probability of there being large export surpluses of agricultural products in the new year.

The Government continued with what appears to be a general program of reorganizing numerous of its departments and agencies. This included the establishment of the new National Department of Health, which will have a wider scope than the previous similar entity whose authority to enforce its regulations was limited to the Federal capital and the national territories. The Labor Bureau was raised to the status of a Secretariat which means that it now attains, in effect, the rank of a ministry; with its previous activities are combined those of other departments heretofore controlling public-welfare agencies. The Ministry of Agriculture also was reorganized, and a like procedure with respect to the Ministry of Foreign Affairs was scheduled for early December.

Of international economic interest were the several trade treaties signed during November, as well as the visits of economic missions. Trade and financial treaties were signed with Paraguay. The commission to study means of effecting a customs union with Chile was named and proceeded to function. A trade mission from Brazil arrived in Buenos Aires for the purpose of studying ways of balancing the trade between Argentina and Brazil.

Spasmodic strikes occurred in different parts of the country, but there was no general strike. The most serious resultant effects were the slowing down of production and shipioading at the frigoríficos, principally in the La Plata (Province of Buenos Aires) area. A strike called in the port of Buenos Aires was relatively ineffective. A strike by construction workers in Mar del Plata (Province of Buenos Aires) brought about almost complete suspension of construction work and temporarily extended to other trades. The objectives of these various strikes were not clearly announced, but it is notable that in few cases only were there any major demands for increased wages or better working conditions.

Business in general was good in November. The pre-holiday trade was maintained at a high level and stocks in department and other stores seemed generally to be abundant. Prices, however, ranged considerably higher than they were a year ago.

Industrial production, while continuing very high, showed increasing effects of the shortage of imported materials and the number of workers losing employment because of this condition has undoubtedly been growing, although not at an alarming rate.

Agriculture

A measure designed to benefit tenant farmers and consequently encourage increased agricultural production was taken by the Government in the form of a decree reducing agricultural rents by 20 percent. The basic rental figure is that effective July 1, 1940 and the decree is retroactive to April 1, 1943.

Official estimates of crop yields of grain, issued as of December 10, are as follows: Wheat, 7,912,000 tons; linseed, 1,796,000 tons oats, 2,037,000 tons; barley, 858,000 tons; and rye 1,241,000 tons.

As of November 29, estimated exportable surpluses reported were: 3,414,000 tons of wheat, 366,000 tons of corn, and 666,000 tons of linseed.

November deliveries to the packing houses and the slaughter of animals continued at a satisfactory rate, and the same is true of meat production in general. The packing plants had substantial stores of meat ready for shipment under the United Nations contract but during the middle of the month were handicapped considerably by the strikes in some of the packing plants.

The October wool market was relatively quiet with little demand in general on the part of the United States. There was a more active demand for coarse cross-bred wools, due probably to the influence of a new clip, compared to the relatively weak market for fine and fine cross-bred varieties. Export trade in wool was handicapped by shortage of shipping space. Total exports during the month of October were 15,226 bales compared with 16,212 bales for the corresponding month of 1942.

Considerable publicity continued to be given to the numerous statements made by Government officials in the United States of the increasing need of Argentine grain for stock feeding. Exportable surpluses of the old crop of vegetable oils have been largely consumed and there is little prospect of any more being available until the new crop is harvested.

Commerce and Industry

Commercial and industrial statistics show that the general index of industrial production declined two points, from 127 to 125, during October. The principal decrease occurred in food products, which was from 135 to 124. No important gains were registered. Wholesale-price indexes were up one-half point (to 235.3) over those of the month of September. The base year for this index is 1926. Clearinghouse operations dropped in October, amounting to 4,067,000,000 pesos, compared with 5,106,000,000 in September.

Bankruptcies showed a slight increase during November compared with the corresponding month of the preceding year. Total liabilities, including settlements made out of court, amounted to 2,028,550 pesos, compared with 1,933,830 pesos for November of the preceding year.

The Government, primarily through the medium of the Government military factories, is going ahead with its program for industrial expansion through the formation of joint private and Government-controlled companies. Mixed companies were formed for the development of sulfur mining and for the production of synthetic rubber. Announcement was made that a similar enterprise for the development of chrome mining was contemplated.

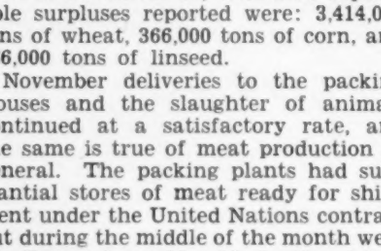
Foreign Trade

Imports and exports for the first 10 months of 1942 and 1943 are given in the following table. These are expressed in official values, which in the case of imports are invoice values and for exports local market values at the time of exportation.

Item	First 10 months, 1942	First 10 months, 1943	Percentage of change
	Pesos	*Pesos*	
Imports	1,110,300,000	780,100,000	−29.7
Exports	1,502,400,000	1,756,400,000	+16.9

Imports and exports by countries of origin or destination by percentages of total for the first 10 months of 1942 and 1943 are shown in the following table.

The Cover Picture



Tantalite

This week's cover picture, furnished by the Office of the Coordinator of Inter-American Affairs, serves to illustrate the special article beginning on page 6. It portrays one of the many arduous processes involved in the procurement, in the northeastern region of Brazil, of a metal that is serving, in varied and noteworthy ways, to facilitate the military operations of the United Nations.

Item	1942	1943
Imports:	*Percent*	*Percent*
United Kingdom	18.7	21.0
United States	32.8	20.0
Brazil	16.9	20.6
Sweden	6.7	10.5
Exports:		
United Kingdom	33.7	30.2
United States	30.3	22.9
South Africa	3.7	8.3
Brazil	5.9	6.4

Tariffs and Trade Controls

Binder Twine: Coloring No Longer Required for Customs Purposes.—The requirement that all binder twine for grain bags must be dyed or colored in order to be imported into Argentina free of duty has been canceled by decree No. 10869 of October 8, 1943, published in the Boletín Oficial October 30. The stipulation that such twine must be cut in lengths of from 2 to 2.20 meters, as provided in previous decrees, still remains in effect.

Cotton Textiles for Bag Manufacture: Exempted From Import Duty.—To relieve the severe shortage of bags for crops, cotton textiles for the manufacture of bags are to be admitted duty-free into Argentina until further notice, according to decree No. 10789, October 8, 1943, and published in the Boletín Oficial October 22.

Cinchona Bark, Belladonna Leaves, and Similar Items: Exempted From Import Duty.—Duty-free importation into Argentina of cinchona bark (also known as Peruvian bark), belladonna leaves, jaborandi leaves, ipecacuanha roots, and verbascum roots, also known as mullein roots) which are imported for the manufacture of drugs, alkaloids, and medicinal products, is authorized by decree No. 10233, dated October 7, 7943, and published in the Boletín Oficial October 30.

Siderurgical Machinery: Duty-Free Importation Continued.—Decree No. 5742 of August 16, 1943, published in the Argentine Boletín Oficial of October 4, extends for 5 years, beginning January 1, 1943, the provisions of article 43 of law No. 12578, dated January 1, 1938, which provides that for a term of 5 years, beginning January 1, 1938, no import duty shall be paid on "machinery and materials not produced in the country destined to be installed in siderurgical establishments."

Silkworm Eggs: Exemption from Import Duties.—To encourage the development of local silk production, silkworm eggs are declared exempt from payment of import duty, according to decree No. 10232 of October 7, 1943, published in the Argentine Boletín Oficial October 30.

Glass and Glassware: Export Permits Required.—Permits for the exportation of glass, glassware and manufactured glass articles, as well as for carbonate of sodium and silicate of sodium are required in accordance with decree No. 9276 of the Argentine Ministry of Agriculture, dated September 20, 1943, and published in the Argentine Boletín Oficial of October 4. The reason given for this restriction was the shortage of fuel and certain raw materials from which glass is made.

Porcelain, China, Firebricks, Earthenware: Export Permits Required.—Export permits are required for the exportation of articles of porcelain, chinaware, glassware, earthenware, and those which contain refractory or baked earthen materials, according to decree No. 10067 of the Ministry of Agriculture, dated September 28, 1943, and published in the Argentine Boletín Oficial on October 28. This restriction applies also to all raw materials, both domestic and imported, which are used in the manufacture of the foregoing articles.

Alligator Skins: Exportation Prohibited.—The exportation of alligator skins from Argentina was prohibited by decree No. 9357 of the Ministry of Agriculture, dated September 23, 1943, and published in the Boletín oficial of October 4. This decree also stipulates that export licenses are required for the export of all articles made of alligator skins, regulates the sale of such skins, and forbids the hunting of alligators from August 1 to January 31 of any year.

Transport and Communications

Branch Railway Line Authorized.—The Buenos Aires Western Railway has been authorized by the Argentine Government to construct a branch line, about 13 miles in length, from Canalejas Station on the main line from Bragado to Colonia Alvear, Province of Mendoza, states a foreign transport journal.

Belgian Congo and Ruanda-Urundi

Tariffs and Trade Controls

Statistical Tax on Imports and Exports Increased.—The statistical tax in the Belgian Congo and Ruanda-Urundi on imported or exported products of any origin or destination was fixed at 0.10 percent ad valorem, but not to be less than 0.50 franc per package or per quantity of goods or products declared in bulk, effective from August 15, 1943, by ordinance law No. 228/Fin.-Dou. of July 22, published in the Bulletin Administratif of July 25.

Goods shipped in transit are taxed upon importation only. Certain products or types of shipments are exempted from this tax.

[The statistical tax was formerly 0.15 franc per package, or per 1,000 kilograms, or per cubic meter, or per animal.]

Pertinent Comments on World Economy Today

[Being one of a series of excerpts from books, pamphlets, and speeches]

Paramount Value of Inter-American Collaboration: A Mexican Economist's View

One of the many meanings applicable to the word "collaboration" is: The will to aid one another for the permanent benefit of all.

The foundation upon which rests the present-day structure of inter-American relations was begun with much foresight and determination many years prior to the outbreak of hostilities in Europe. It was, undoubtedly, one of the most gigantic undertakings ever attempted, and it should be a source of pride to those who made it possible.

This movement has cleared the way for the development of potential resources and arteries of communication, which will permit the former to reach the centers of consumption, manufacture, or distribution—an economic cycle through which the living standards of all concerned will undoubtedly improve.

It has made possible the large-scale extraction and production of minerals and raw materials indispensable for the war effort.

It has also stimulated what shall be the inevitable era of Latin American industrialization, which, in turn, will put into motion the wheels of greater continental interchange. Its ultimate result will be a tremendous increase in the purchasing power of the Latin American people, which, in turn, will create a greater demand for the manufactured products of the United States.

Many generations will pass before Latin American industries would be able to compete with United States industries in the principal world markets. As a rule, industrialization in the majority of the nations below the Rio Grande is directed toward the manufacture of goods for national consumption—goods which in the majority of cases are not imported from the United States but made by hand or not at all.

To those who *know*, it will be an old story to point out that industrialization in Latin America is a virgin field for the North American exporter. Heavy machinery, replacements, tools, and a thousand and one articles needed for the proper functioning of Latin American industries will be the future "bill of fare."

And, last but not least, inter-American relations have instigated a desire to understand and the will to help each other—a mental and material combination which, if we are willing to preserve it, will pay great dividends in the form of peace and prosperity for all of the inhabitants of the American Continent.

(From "Inter-American Collaboration Policy of the Republic of Mexico," by Eugene Ysita. An issue of "Commercial Pan America," published by the Pan American Union, Washington, D. C.)

"Scorched Earth" at Famous Indies Port

One of the grimmest of war films—"The Destruction of Surabaya Harbor"—was recently shown in Melbourne, Australia, for the first time, at a meeting of the Australia-Netherlands Society.

In a commentary accompanying the silent film, Dr. Charles O. van der Plas, head of the Netherlands East Indies Commission in Australia, said that "the destruction of Surabaya was so thorough that the Japanese still have not succeeded in repairing it." Many of the pictures in the film were taken from the stern of the last Netherlands' ship to leave the harbor. Distance shots showed towering clouds of black smoke rising from fiercely burning harbor installations while close-ups showed sinking ships—broken, twisted, and vomiting flames and smoke—blocking the channels to the harbor. One vessel was shown to be filled with concrete and sunk as a formidable harbor block.

Close-ups taken alongside the quays showed scenes of destruction so indescribable as to challenge the imagination. Roaring seas of fire stretched for a mile or more in a number of sections of the waterfront, but the blinding glare of this giant cauldron of fire seemed blanketed by inky-black clouds of heavy smoke.

Brazil

Wartime Commodity Controls

General Revision of Maximum Prices.—By administrative order No. 159 of November 26, 1943, the Coordinator of Economic Mobilization in Brazil has fixed maximum prices on all wholesale and retail merchandise and for transportation at the levels prevailing on November 10, 1943.

Since March 2, 1943, when all prices were fixed at the levels of December 1, 1942, many readjustments have been made in the prices for individual items, but order No. 159 is the first general revision of prices. The order stated, as the reasons for this measure, that the salary raises that would become effective on December 1, 1943, would tend to increase prices and that such an increase would defeat the purpose of the salary raise. It was stated, further, that the November 10, 1943, price levels were just, and included all factors brought about by the war.

Exemption of Cotton, Coffee, and Other Export Products from Price Control Order.—In administrative order No. 169 of December 11, 1943, the Brazilian Coordinator of Economic Mobilization clarified a previous order (No. 159, November 26, 1943) fixing maximum prices on all merchandise at the price levels of November 10, 1943. Order No. 169 excludes from the application of order No. 159 "coffee, cotton, and all other export products." In explanation for the exclusion of export products from price stabilization, the Coordinator stated that this stabilization measure was intended only for the domestic market, that prices of exportable articles are influenced by changes in international markets, and that the office of the Coordinator has power to assure sufficient stocks of export products for domestic consumption.

Canada

Transport and Communication

Railway Earnings.—Gross earnings of the Canadian National Railways increased to $37,585,000 in October 1943, compared with $36,002,000 in October 1942, according to a foreign transport publication. There was an advance in the operating expenses from $27,099,000 to $28,346,000, and net earnings increased $336,000, to a total of $9,239,000.

Aggregate gross earnings from January 1 to November 1, 1943, rose to $364,534,000, or an increase of $57,705,000 over the total for the first 10 months of 1942; aggregate net earnings showed an improvement of $9,693,000, or a total of $81,357,000.

Air Line's Passengers Increase.—Passengers carried by Canadian Pacific Air Lines during September 1943 totaled 8,018, an increase of 50 percent over the corresponding month in 1942, according to a foreign transport magazine.

For the first 9 months of 1943, passengers carried numbered 55,489, a 24-percent gain over the comparable period in 1942.

Chile

General Conditions

The outstanding event at the close of the year in Chile was the signing by the President of a decree promulgating the economic-project bill. As approved, with certain modifications, the project contained enabling legislation for the establishment of local controls against Axis activities along with other matters.

General business conditions throughout Chile in past weeks were dull, overcast by more uncertainty than at any time in the past 4 years. Stocks of both domestic and imported goods, however, were considered adequate, with numerous commodities hitherto retained being released into the market in anticipation of possible early replenishment.

Latest figures on Chilean foreign trade showed some decrease both in volume and value. Production of both copper and coal increased. The fruit-crop prospects were good, and larger acreages have been sown to beans and rice than in the preceding season. Hoof-and-mouth disease was being energetically controlled by the authorities.

The National Air Line extended its service both northward and southward, though by-passing many important cities which were still lacking adequate landing fields.

Another event of importance was the convening of the Chilean Commissions appointed to study a customs union with Argentina.

Manufacturing

Manufacturers in general were able to get sufficient supplies of raw material. There was a seasonal decline in woolen textiles, but otherwise the market kept up fairly well though duller than it was previously. Several manufacturers who were on the proclaimed list but had been successfully struggling to maintain their businesses became suddenly confronted with insurmountable difficulties as a result of the turn of events in Europe. In this crisis, demands were made that the Government take over their affairs to avert unemployment consequent to their closing.

Trade

Sales by retailers have lately tapered off by as much as 10 percent. Prices have in some cases decreased, but not on a sufficient number of articles to change the over-all picture, which remained highly speculative. Inasmuch as both wholesalers and retailers have been in a state of perplexity regarding future developments, there has been little interest in ordering imported goods. There existed the wide belief in retail circles that importers and wholesalers had reserve stocks of hitherto scarce goods which they would soon put on the market. Also, many retailers themselves had reserve stocks which they deemed it was unwise to hold longer.

There have been reports that during the past few months Chilean travelers to Argentina have spent some 200,000,000 pesos in purchasing commodities of that country, thus affecting the Chilean market trends.

Latest figures available on Chile's foreign trade have shown a decrease both in volume and in value.

Mining

General mining index figures revealed a slight increase over the preceding period. Coal production was well up as was also that of copper and copper stocks on hand. The production of gold has risen considerably.

Cost of Living

The cost-of-living index for the city of Santiago had risen again and is 46 points above the index of a year ago. The wholesale-price index for Chile rose slightly during the same period and was also 34 points above that of a year ago.

Agriculture

Weather conditions in general were favorable to the development of crops during the early part of the season, al-

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though the dry spell continued in central Chile and signs pointed to eventual drought conditions there. A bumper crop of apples and an unusually good crop of pears was predicted in any event. The proportion of export types of beans to be obtained from the 1944 harvest was expected to be larger than in the past 2 years but still disappointing from the view of exporters. Forecasts of the Ministry of Agriculture were for the largest rice crop in the history of Chile. Nearly 17 percent more land was sown to this crop than in the preceding year. Less potatoes were expected than formerly, but Chile has been oversupplied with this commodity for the past few years. Measures have been taken to eliminate all animals infected with hoof-and-mouth disease and a more rigorous inspection of imported cattle instituted.

Construction

The number of construction permits has gained but building costs were increasing more rapidly. The Government decided to draw up plans for a network of hotels in northern Chile. These plans call for hotels in seven cities with a total of 485 beds and an investment of 25,000,000 pesos to be provided partly by private interests and partly by Government agencies.

Labor

Salaried employees have united in a campaign to get the scheduled living wage for 1944 increased. This wage which is decided by the cost of living as estimated by the Mixed Salary Commission had been set at 1,098 pesos monthly for the citizens of Santiago. Among port workers there has continued to exist some dissatisfaction over the shift system of loading and unloading vessels. Otherwise normal conditions have prevailed in labor ranks.

Tariffs and Trade Controls

Additional Tax on Imports of Luxury Items Increased.—The additional tax on imports into Chile of articles of a luxury or dispensable character was increased from 10 percent to 15 percent of the duty-paid value under provision of law No. 7595 of October 8, published in the Diario Oficial of Chile on October 19, 1943. The increased tax was levied to provide funds to support an increase of pensions for the retired personnel of Post and Telegraphs.

Imported merchandise subject to the payment of this additional tax includes selected items in the following general classifications: Jewelry, objects of art, higher-priced automobiles, radios, victrolas, firearms, furs, silks, furniture and certain household furnishings, glassware, suits of clothing, hats, perfumes and cosmetics, rugs and carpets, and spirits and liquors.

Reduction of Duty on Kerosene Continued.—The import duty on kerosene, item 1095 of the Chilean customs tariff, which was reduced from 11.20 to 7.50 gold pesos per hectoliter during 1,940 and which has been extended for yearly periods since that time, has been reextended by decree No. 4079 of the Ministry of Finance. This decree was dated November 26 and published in the Diario Oficial of December 9, 1943, and will apply for 1 year from November 30, 1943.

Colombia

Transport and Communication

Projected Railway Construction.—Plans for the construction of the Armenia-Ibague Railway in Colombia are reported finished. Work is projected to start early in 1944, which will give Bogota through rail connection with Buenaventura.

This railway line is planned to be 75 miles in length, including a tunnel at Calarca of more than 2 miles.

Approval has been given by the National Congress of Colombia for an extension of the Ferrocarril Central del Norte from Bucaramanga to Barbosa.

Cuba

Tariffs and Trade Controls

Sugar-Grinding Season Decreed to Begin January 2, 1944.—The grinding of the 1944 Cuban sugar crop was decreed to begin on January 2, according to an air-mail dispatch of December 31, 1943, from Habana, Cuba. The decree states that mills may begin grinding operations any time after the opening date until January 20. Mills not already in operation by the latter date cannot commence grinding without special permission from the Cuban Government.

[This is the earliest start for the grinding season since 1929. In 10 of the 14 years since 1929, the official opening date was January 15 or 16; in two other years it was January 20, in one year, February 1, and in 1943, February 15.]

Czechoslovakia

Transport and Communication

Construction and Repair Expenses of State Railways.—The Slovak State Railways are reported by the foreign press to have spent 1,422,000,000 crowns between March 14, 1939, and June 30, 1943, as follows: Reconstruction work, 63,500,000 crowns; improvement of existing lines, 228,500,000; construction of lines, 757,000,000; new station buildings, 181,000,000; repair shops, 10,000,000; and new equipment, 182,000,000 crowns.

Ecuador

Economic Conditions

General Conditions

The excellent record of Ecuador's agricultural production for 1943, which promises to be one of the most prosperous in the country's history, was somewhat marred during the month of October by reports that the markets of Guayaquil and Quito in the early part of the month lacked adequate supplies of such essential foodstuffs as meat, fish, flour, and many of the more common vegetables. This was due, for the most part, to war conditions resulting in maldistribution, speculation, and the disinclination of farmers and distributors to bring their products to market in protest to the Government's efforts to enforce ceiling prices.

Coffee pickers and sorters went on a strike for several days when coffee growers failed to comply with the Government's decree of October 1, 1943, increasing wages of labor. The strike was finally settled by coffee exporters raising the rate at which coffee sorters were to be paid.

A degree was passed providing for the creation of an economic council to make special studies of the economic problems of the country covering the present emergency as well as post-war conditions and to make recommendations or proposals for legislation and controls.

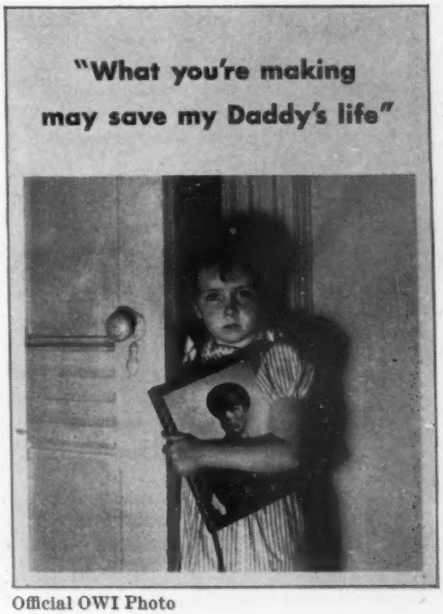
The cinchona division of the Ecuadoran Development Corporation announced in October that cinchona bark with alkaloid content of one-half of 1 percent or more will now be subjected to analysis, and payment will be made in accordance with its alkaloid content.

A cattle-raiser association was formed for the purpose of improving the breed of cattle and increasing the production of meat and dairy products.

Agriculture and Forestry

Except for a drop in the production of certain products the agricultural situation in October was satisfactory.

The winter rice harvest, the principal money crop, had been gathered, and harvesting of the minor Vega crop was well advanced by the end of October. The total annual crop is estimated at 2,000,000 quintals of 101.4 pounds each. The export quota of this commodity was completely exhausted by the middle of October, and the Government indicated that it would not authorize a new quota until early in 1944, presumably to prevent speculation in rice, which is the principal foodstuff in Ecuador and to



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maintain prices at approximately present levels.

Cocoa deliveries at the port of Guayaquil during October were heavier than anticipated and for this reason it was believed that the 1943 crop would exceed that of 1942 by from 25 to 50 percent.

The coffee crop of 1943 showed a considerable improvement over that of 1942, which reflected a decline in coffee prices on the local market as well as increased exports.

Although exports of balso wood continued on a heavy scale, there was some question locally as to whether the balsawood resources of Ecuador are sufficient to maintain the present heavy rate of production and exportation. Forestry experts have been hired to make surveys to determine what the potential resources are.

Rubber production declined in 1943 compared with 1942 partially because labor was attracted by higher wages in the rice fields during the harvest period. The production of rubber in the latter months of the year was expected to show a considerable increase as a considerable percentage of this labor had begun to return to rubber tapping.

The Ecuadoran sugar-grinding season was in full swing in October. The 1943 crop, however, is not expected to attain the level reached in previous years. The 1942 crop amounted to 613,000 quintals of 101.4 pounds each, whereas it is now estimated that the crop for 1943 will amount to only 565,000 quintals.

The cotton crop was also expected to be considerably less than in 1942 because the cottonseed imported by the Bureau of Agriculture arrived 2 months late for sowing and the soil is impoverished through repeated use of the same land for cultivating this crop. Ecuador will therefore have to import ginned cotton to satisfy the requirements of its growing textile industry. This may eventually be offset, however, by increasing the acreage devoted to raising cotton through the installation of irrigation systems. The Government is now considering a plan to survey certain areas in the Guayas and Manabi Provinces.

Air Shuttle Service to Serve Veracruz

To provide additional and more convenient service to wartime air passengers to and from Veracruz, Compañía Mexicana de Aviación has inaugurated recently a new shuttle service between that city and Tuxpan.

The new service, operating daily except Sundays, provides passengers traveling between Mexico City and Veracruz with an alternative service to the direct daily flights between these two points, since it makes connections in both directions with the daily CMA service between Mexico City and Tuxpan.

In addition, the new service furnishes a direct route between Tampico and Veracruz, via Tuxpan, rather than (as in the past) via Mexico City.

Exchange and Finance

Budget Shows Substantial Increase.—The Ecuadoran budget for 1944 has been approved with revenues and expenditures balancing at 198,260,000 sucres. The 1943 budget estimated revenues and expenditures at 159,383,000 sucres. The increase of 38,877,000 sucres is the result of an increase of 35,500,000 sucres in the ordinary budget and an increase of 3,377,000 sucres in the extraordinary budget. The special rural-school budget for 1944 is the same as that for 1943.

By far the greater part of the increase in ordinary revenues is expected in the general classification, taxation. The principal increase is that of about 16,500,000 sucres in import duties. Estimated receipts from direct taxes are about 5,500,000 sucres larger in 1944 than in 1943. Among ordinary expenditures appropriations for all ministries show increases, but the largest is an increase of 13,319,000 sucres for the Ministry of National Defense. Important increases, 5,633,000 sucres and 3,932,000 sucres, respectively, were also made in appropriations for the Ministries of Education and Public Works. Appropriations for debt service amount to 4,000,000 sucres for the internal debt and 8,513,720 sucres for the external debt. The allocation for the internal debt is 3,000,000 sucres larger than that for 1943, while that for the external debt is the same.

Approved Estimates of Revenues and Expenditures

[In thousands of sucres]

Item	1943	1944
Revenues:		
Ordinary budget:		
Income from national property	7,533	8,200
Income from national services	10,660	11,275
Income from taxes	123,341	158,060
Miscellaneous	8,466	7,905
Total ordinary budget	150,000	185,500
Extraordinary budget	8,853	12,230
Special rural-school budget	530	530
Total revenues	159,383	198,260
Expenditures:		
Ordinary budget:		
Legislature	440	707
Judiciary	2,741	3,363
Executive departments	136,319	167,511
Miscellaneous organizations	986	1,405
Public debt	9,514	12,514
Total ordinary budget	150,000	185,500
Extraordinary budget:		
Highways and public works	4,320	4,497
Railway construction	4,533	7,733
Total extraordinary budget	8,853	12,230
Special rural-school budget	530	530
Total expenditures	159,383	198,260

Tariffs and Trade Controls

Alcohol Monopoly Authorized to Issue Import Permits for Cuban Rum.—The Ecuadoran Alcohol Monopoly was authorized to issue import permits for rum from Cuba by decree No. 1711 of August 5, 1943, published in the Registro Official of August 13, 1943. This decree revises the basic monopoly law of October 28, 1935, which authorized the importation of all alcoholic beverages except those obtained by the distillation of sugarcane. This measure was taken in view of the large export balance (arising mostly from exports of rice) with Cuba.

Regulations issued by the Director General of Monopolies, dated September 1, 1943, for the application of this decree specify that shipments of rum should be covered by a certificate from a chemical laboratory in the place of origin stating that the rum is of good quality and does not contain ethers nor artificial extracts, and by another certificate from a competent authority certifying that the product in question has been in containers at least 3 years.

Transport and Communication

Highway Developments.—The Cuenca-Loja link of the Pan American Highway was expected to be opened for traffic by the end of December. In the Ecuadoran Provinces bordering on Peru a road has been constructed from Loja to Piedras in El Oro Province. In October the Banos-Shell-Mara road (57 kilometers) was opened to the public, providing a gateway from the mountainous Sierra section of the country to the undeveloped Province of Oriente. The highway follows the Pastaza River, a tributary of the Amazon. The Canton of Guayaquil signed a contract in October for the construction of a highway from Progreso to Playas, which is expected to be completed by next September. A contract was expected to be signed for the construction of a road from Guayaquil to Progreso. This will provide the coastal section of Ecuador with its first real all-weather road. The Government is contemplating plans for the completion of the Duran-Tambo road linking Guayaquil with the Sierra in 1944, and 7 kilometers have already been completed.

Finland

Tariffs and Trade Controls

Trade Agreement With Germany Prolonged.—The trade agreement between Finland and Germany has been continued in effect until the end of 1944, and temporary trade arrangements between the two countries during the first 2 months of 1944 have been made, according to the Helsinki press. An agreement is said to have been reached concerning Finland's exports of timber during 1944, and final negotiations concerning trade between Finland and Germany in 1944 will commence early in February.

Business Is the Greatest Single Force for Social Good

It is claimed that an agreement concerning German deliveries of grain, reached in December 1943, and arrangements made concerning other vital foodstuffs, will assure Finland's food supply situation until the next harvest.

French North Africa

Wartime Commodity Controls

Wheat Flour and Semolina: Minimum Rate of Extraction Fixed in Algeria.—Flour millers in Algeria have been required to extract 90 kilograms of "local" flour from each 100 kilograms of soft wheat, effective from August 23, 1943, by flour from each 100 kilograms of hard wheat, effective from August 23, 1943, by an order of August 18, published in the Journal Officiel of Algeria on August 20.

Also effective from August 23, semolina millers have been required to extract from each 100 kilograms of hard wheat either 72 kilograms of semolina called "paste semolinas" and 11 kilograms of second flour of hard wheat, or 90 kilograms of semolina called "consumption semolinas."

[See FOREIGN COMMERCE WEEKLY of October 3, 1942, for a previous announcement.]

Preserved Olives: Industrial Preparation Regulated in Morocco.—Industrial preparation of preserved green olives for the present crop year was regulated and the quantity to be preserved was limited to 300 metric tons for the entire French Zone of Morocco, by a residential order of October 10, 1943, published in the Bulletin Officiel of October 22.

Tariffs and Trade Controls

Office of Foreign Commerce Created; Special Tax on Imports and Exports to Defray Expenses.—A public establishment, under the name of Office of Foreign Commerce of Tunisia, charged with carrying out directly all commercial operations of importation and exportation, or with controlling such operations, was created in Tunisia by a decree of August 5, 1943, published in the Journal Officiel Tunisien of August 7.

To provide funds to pay the expenses of this office, a special tax of 0.05 percent of the value of goods imported or exported by this office, or under its control, was established by another decree of August 5, 1943.

Wheat, Barley, Oats, and Beans: Storage Premiums Fixed for 1943 Harvest in Tunisia.—A storage premium of 1 franc per 100 kilograms for each 10-day period has been fixed in Tunisia, to be paid to organizations keeping stocks of hard and soft wheat of the 1943 harvest in their warehouses, effective from July 1, 1943, by an order of July 8, published in the Journal Officiel Tunisien of July 13, 1943.

A similar premium of 1.50 francs per 100 kilograms and per month was established for barley, oats, and beans of the 1943 harvest stored by storage organizations.

[See FOREIGN COMMERCE WEEKLY of March 20, 1943, for announcement of a storage premium for the 1942 harvest.]

Wheat and Barley: Special and Statistical Taxes on Quantities Stored in Tunisia.—A special tax of 15 francs per 100 kilograms on soft or hard wheat of the 1943 harvest delivered by producers to storage organizations in Tunisia was fixed by a decree of July 8, 1943, published in the Journal Officiel Tunisien of July 13.

At the same time, a statistical tax of 1.50 francs per 100 kilograms was imposed on soft and hard wheat and barley of the 1943 harvest delivered by producers to storage organizations.

[See FOREIGN COMMERCE WEEKLY of December 12, 1942, for announcement of similar taxes for the 1942 harvest.]

Madagascar

Tariffs and Trade Controls

Rubber Committee Established.—A Rubber Committee was created in Madagascar, under the Governor General, by an order of January 19, 1943, published in the Journal Officiel of that colony on February 13.

This committee is charged with coordinating all questions aiming at intensifying and developing the collection, preparation, and circulation of rubber and, in a general way, all transactions relative to this product in Madagascar and its Dependencies.

Direction of Production of the Soil Established.—A Direction of Production of the Soil was established in Madagascar, bringing together for a common effort the agricultural, forestry, and veterinary services, by an order of February 15, 1943, published in the Journal Officiel of Madagascar on February 20.

The Direction is to coordinate the work of these services and unify their programs and methods.

Mexico

Transport and Communication

Section of Pan American Highway Opened.—A section of the Pan American Highway between Izucar de Matamoros, State of Puebla, and Oaxaca de Juarez, State of Oaxaca, Mexico, was officially inaugurated on December 5, 1943.

The ceremony took place near the village of Zapatitlan, Oaxaca, at the point where the highway crosses the border between the States of Puebla and Oaxaca. It is hoped that the highway will be completed to the Guatemala border by the end of 1944.

Mozambique

Transport and Communication

Civil-Aviation Statistics.—Civil-aviation statistics for Mozambique in 1942 show 2,470 aircraft landings, of which 1,676 were Portuguese planes, states a foreign transport publication. Passengers arriving are said to have totaled 3,682, and 23 tons of freight were imported.

New Service to Provide Data on China's Laws

The relinquishment by the United States of extraterritorial rights in China opens up many new problems for American businessmen interested in that area—one of the foremost of these problems being the need to know about the laws of the country. To provide practical assistance along this line, Secretary of Commerce Jesse Jones has created a China Legal Section in the Far Eastern Unit of the Bureau of Foreign and Domestic Commerce. It will be headed by an expert in this field, who practiced law in China for 9 years under the Chinese Ministry of Justice.

The China Legal Section will study and analyze China's commercial codes and their effects on foreign firms, particularly American firms, in the light of the abolition of extraterritoriality. These studies will be made in cooperation with American firms and organizations specially interested in the development of China's trade and industry.

Paraguay

Tariffs and Trade Controls

Wheat Flour: Duty-Free Importation Authorized.—The duty-free importation of 50,000 bags of wheat flour by the Banco Agrícola del Paraguay was authorized by decree No. 1466, promulgated December 6, 1943.

This exemption from duty has been allowed because there is a shortage of wheat flour in Paraguay which might result in an increase in the price of bread were the regular tariff rates maintained.

[For announcement of a previous reduction in the import duty on wheat flour, see FOREIGN COMMERCE WEEKLY of December 18, 1943.]

Peru

Economic Conditions

Conditions prevailing in Peru at the close of 1943 appeared generally favorable, with optimistic reports on all agricultural products except cotton, sustained activity on the part of industry and manufacturing, and the maintenance of normal conditions in mining enterprises. The over-all wholesale-price index advanced from 430.8 as of September 15 to 431.5 as of October 15, and the general cost-of-living index number rose from 248 to 250.

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Tiny Bolivian Railroad Plays Big Role in Rubber Activity

A tiny jungle railroad is playing a big role in production of wild rubber in Bolivia. The railroad is only a mile and a half long. It lies in the heart of the rubber-rich Beni region, which embraces an area as large as Belgium, in the upper Amazon Basin. Despite its size, the little railroad makes possible the production of rubber over almost the entire length of the Beni.

The chief arteries of transportation in the wilderness are the rivers. This is true of the Beni, where the river of that name flows nearly the full length of the rubber region from Riberalta to Guayaramerin, on the Brazilian border.

Over this river, Beni rubber begins its journey to United States industry, and supplies of drugs, food, and other equipment move to the increasing forces of rubber tappers along its banks.

But the river is not navigable for its full length. Midway the even flow is interrupted by falls. At this point the railroad was built. Cargoes eastward and westward bound are transferred to the railroad to be reloaded either above or below the falls on river launches. Thus the railroad makes possible the production of rubber for almost half the length of the rubber area.

The railroad was built years ago by a large operator in Bolivian rubber named Nicola Suarez. It has always enjoyed a fair amount of traffic due to the ready market for Beni rubber, prized for its high elastic qualities.

With the new boom in Amazon rubber following the loss of Far Eastern sources, the railroad became an important medium for expanding production in the Beni region. It is operated by the Suarez estate.

AGRICULTURE

The Cotton Chamber's estimate of 1,100,000 quintals (of 46 kilograms) of cotton for the 1943 crop remained unchanged, but picking operations revealed that the quality of the fiber was not up to the standards usually obtained at this period of the year. Crop prospects in the Piura and particularly in the Chira Valleys were poor, because of the low yield and the ravages of insect pests and diseases. The Peruvian Government has accepted the proposals of the Commodity Credit Corporation for a 15-percent reduction in cotton acreage and a corresponding increase in price.

Normal weather conditions and sugar-mill operations were conducive to a favorable outlook for the 1943 sugar crop. Heavy demands for refined sugar were being received from Mexico and Argentina sales were being concluded with United States firms, and there was a possibility of renewed sales to Chile, where stocks were said to be almost exhausted.

Rice-crop conditions continued to be more favorable than a year ago, with an estimated output of 82,500 metric tons of clean rice. Requirements of the food supply apparently were being met with foreign purchases.

The 1943 wheat production has been tentatively estimated at from 90,000 to 95,000 metric tons by the Bureau of Agriculture—a decline of 5 to 10 percent from the 1942 figure, because of the effects of the rust plague. The shortage of foreign wheat supplies was not as serious as was anticipated, although a reduction of 10 percent in flour supplies to the bakeries was authorized. Because of the difficulties of receiving shipments from Argentina, formerly the principal supplier of wheat flour, Peruvian wheat importers were looking to the United States and Canada as possible sources of supply.

Flax-fiber yields continued to be more favorable than a year ago, and preliminary estimates of the flax-fiber output were approximately 3,000 metric tons. Production of cattle hides, sheep skins and goat skins through October 1943 were estimated at 170,000, 900,000 and 435,000 pieces, respectively. The Victory-Garden program to stimulate garden produce was progressing satisfactorily.

MINING

Normal activity prevailed in the mining industry with plans for expansion being formulated by two new potential copper producers. A lead-zinc mining enterprise proceeded with the installation of mining equipment and development work in preparation for production. Vanadium production was higher than in previous months, but the output of molybdenum concentrates declined 50 percent. Preparations were under way for a campaign to find additional ore reserves of molybdenum.

Mica producers in the Camana district were preparing to increase output by replacing hand labor with drilling equipment. Arsenic production at Oroya increased after a temporary shut-down necessitated by a lack of suitable containers for the shipment of white arsenic.

MANUFACTURING

Sustained activity was maintained by domestic manufacturing industries to supply the steadily growing demands of wholesalers. Minimum-wage tariffs were promulgated by the Government for the textile industry, the first to be established in any Peruvian industry to protect the workers.

Considerable expansion was reported in sawmill operations in the Chancamayo, Satipo, and Tingo Maria areas. Additional lumber equipment was being installed, and it was hoped to increase the present monthly production of about 470,000 feet to 800,000 feet. This development is a direct result of recent improvement and expansion of highways, since lumber is carried by truck from the jungle districts to Cerro de Pasco and thence to Lima by motor truck or railroad.

CONSTRUCTION

Among public-construction plans is a project for the irrigation of some 100,000 hectares of land in the Department of La Libertad; another project to increase the water supply in the Province of Chiclayo has been approved by the Government, but financing of these works is still being studied. Allotments were approved for constructing dwellings in the city of Trujillo and tourist hotels in the cities of Nazca, Arequipa, and Ayacucho, and for surveying the construction of port works at Salaverry.

TRANSPORTATION DEVELOPMENTS

Improvement in the domestic rubber-tire supply was reflected in the repeal of the requirement that motor-vehicle operators deliver worn-out tires in exchange for new tires purchased under authority of the Tire Ration Board.

Construction of a branch highway between Chonta and the important mining site of Huachocolpa was completed, linking with the important Pisco-Castrovirreyna-Huancavelica highway, and plans are under way for its extension to the mining district of Pampanali.

To centralize the control of imports carried by Peruvian vessels, including those purchased by the Government, authority for granting shipping space on such vessels was vested in the Coordinator General of Transportation.

Tariffs and Trade Controls

Time for Payment of Sugar Export Taxes Extended.—The period of time permitted for the payment of taxes assessed upon sugar exports has been extended from 6 to 90 days by a Peruvian decree of November 6, 1943.

[See FOREIGN COMMERCE WEEKLY issue of October 30, 1943, for previous announcement.]

Surinam

Transport and Communication

Projected Bus Service.—Bus service is to be established soon from Paramaribo, Surinam, to outlying districts. Exact routes have not yet been determined.

One route suggested is to Groningen, on the Saramacca River, a small agricultural community about 25 miles west of Paramaribo; and possibly on to Coronie, on the coast about 80 miles from Paramaribo.

Another route under consideration is to Paranam, on the Surinam River, some 15 miles south of the capital.

Switzerland

Transport and Communication

Railway Traffic.—A record passenger-traffic total was attained in 1942 by the Chemin de fer Regional du Val de Travers, in Switzerland, which owns and operates the standard-gage line between Travers, France, and Fleurier, Switzerland, with extensions from Fleurier to Buttes and to St. Sulpice, states the foreign press. Passengers carried num-

bered 828,900 compared with 716,700 in 1941.

Goods traffic dropped to 66,800 metric tons from 74,600 tons in 1941. Working receipts declined to 346,171 francs, as compared with 351,845 in the preceding year and working expenditures increased from 357,211 francs to 432,758, including expenditures of 119,800 francs for fuel as against 34,000 a year prior to the war.

United Kingdom

Wartime Commodity Controls

Regulations Governing Labeling and Advertising of Foods Modified.—Defense (Sale of Food) Regulations have recently been issued in the United Kingdom, involving the following changes in the law:

1. Section 6 of the Food and Drugs Act, 1938, is suspended as from January 1, 1944, so far as it relates to food, and is reenacted in a modified form, with the effect that: (*a*) the display of a label which falsely describes any food exposed for sale is now an offense, whereas under the act no offense was committed until a sale was made, and (*b*) whereas, under the act, it is an offense to give a label, or to publish or to be a party to the publication of an advertisement, which falsely describes or is otherwise calculated to mislead as to the nature, substance, or quality of a food, this offense will now specifically include giving a label or publishing an advertisement which misleads as to the nutritional or dietary value of a food.
2. The necessary powers to control the labeling and composition of food are granted to the Minister of Food who is authorized to proceed by order.
3. An additional power, not contained in previous legislation, is conferred on the Minister of Food enabling him by order to restrict the making (in advertisements of food) of claims or suggestions of the presence of vitamins or minerals.
4. Where the law regarding the labeling and advertising of food in Scotland and Northern Ireland is affected by these regulations, it is, so far as practicable, made uniform with the law in England and Wales.
5. The Minister of Food becomes an enforcing authority.
6. Except in such cases as orders under the regulations may provide, the consent of the Minister of Food is required before proceedings under the regulations may be instituted by a food and drugs authority.

Under the powers granted by the regulations, the Minister of Food will issue orders creating standards for particular foods as necessity arises. The necessity for restricting claims or suggestions in advertisements regarding the presence of vitamins and minerals in a food is in part the direct consequence of the Government's nutritional policy. It is essential for the health of the nation that the value of protective foods should be emphasized. This policy must not be exploited in relation to foodstuffs where the protective element is absent or present in ineffective quantity. In the case of products recommended as medicines, in which the presence of vitamins or minerals is claimed, it is already necessary that the label should bear a quantitative disclosure of these active ingredients. After consultation with the Medical Research Council, the Government has decided that a similar quantitative disclosure of the vitamin or mineral content should also be required in the case of foods in which the presence of these constituents is claimed.

Transport and Communication

Air-Line Operations.—British Overseas Airways carried 90 percent more cargo (2,719.95 tons compared with 1,431.48) and 27 percent more passengers during the first 9 months of 1943 than during the corresponding period in 1942, states a foreign transport publication.

During the first three quarters of 1943 passenger ton-miles rose 31.8 percent, to a total of 8,342,180, compared with 6,329,250 in the corresponding months of 1942; mail tonnage increased 11.3 percent, from 2,098,275 to 2,335,391; freight ton-miles showed a 68.3-percent increase with an aggregate of 5,914,260, compared with 3,513,403 in 1942. Miles flown showed a 31.3-percent rise, from 7,036,796 to a total of 9,237,712, and mail carried was 841.30 tons, a 16.01-percent increase over 725.15 in 1942.

Telephone Calls in Plymouth Increase.—Plymouth, England, has more than doubled its telephone calls since the war. The weekly average for October 1943 was 64,000 calls (including local, toll, and long distance) compared with a weekly average of 29,000 calls in the pre-war period. During 1943 long-distance calls averaged 18,500 weekly, three and a half times as many as the 5,200 in 1939.

Since 1940, 3,000 installations have been made, making a total of 38,000 at present.

Uruguay

Wartime Commodity Controls

Fuel Oil: Reduction in Sales Price Announced.—A reduction of 12 pesos per cubic meter in the sales price of fuel oil for the Department of Montevideo was approved as a result of an equivalent decrease in current freight charges, by a decree of November 24, 1943, published in the Uruguayan Diario Oficial of November 29.

The present approved prices are as follows: Heavy fuel oil, 60.75 pesos per cubic meter at 15° C., delivered in bulk to ANCAP (National Administration of Fuel, Alcohol, and Portland Cement) deposits, or to the private companies in Montevideo; light fuel oil, 64.50 pesos per cubic meter at 15° C., delivered in bulk to ANCAP deposits or to private companies in Montevideo.

The above prices are subject to the 15 per mil surcharges established by the law of September 30, 1941. Prices in the other Departments of Uruguay will be established by the ANCAP, the cost of transport being taken into account.

[For previous announcement of the established fuel-oil prices see FOREIGN COMMERCE WEEKLY of April 10 and October 16, 1943.]

Bananas: Maximum Sales Prices Established.—Maximum sales prices within the Department of Montevideo for bananas were established at 2.70 pesos per bunch, containing a minimum of 12 dozen, for sale from importer to wholesaler; 3.25 pesos per bunch from wholesaler to retailer; and 32 centesimos per dozen from retailer to the public, by a decree of November 26, 1943, published in the Uruguayan Diario Oficial of December 4. Prices for bananas in the interior of Uruguay will be based on those for the Department of Montevideo, plus the cost of transportation.

Sisal Thread: Maximum Prices Established.—Maximum prices throughout Uruguay for sisal thread delivered to its destination were established at 2.65 pesos per ball and 15.90 pesos per bale of six balls by a decree of November 11, 1943, published in the Diario Oficial of November 18.

(Continued on p. 29)

Chile Plans New Trans-Andean Highway

Chile's Minister of Public Works has ordered work begun immediately on construction of a new international highway to link the southern lake region of Chile with Argentina's great Nahuel Huapi national park, reports the newspaper Ercilla, of Santiago.

This new international highway starts at the Chilean city of Osorno and follows the existing highway 70 miles eastward to the hot springs at the eastern end of Lake Puyehue. This beautiful alpine lake, 20 miles long and 700 feet above sea level, is surrounded by the forest-clad mountains typical of southern Chile.

At the Puyehue hot springs the Government of Chile has built a fine modern resort hotel with 150 rooms. This new hotel is already popular with the people of Chile; and, by extending the highway across the mountains, it will be possible for visitors from Argentina to use the hotel and the hot springs.

It is about 20 miles from the hotel, where the present highway ends, to the crest of the 4,200-foot pass that marks the border between the two Republics. On the Argentine side, connections will be made with the existing highway around Lake Nahuel Huapi to Bariloche, terminus of the Argentine State Railways. The Argentine Government has set aside the entire Lake Nahuel Huapi region as a national park.

The existing international highway—that between Lake Todos los Santos in Chile and Lake Frias in Argentina—crosses the border at a point about 30 miles to the south of this new highway.

The construction of this new international highway will mark another step in Chile's growing determination to make the most of the beautiful lakes and resort areas in which that Republic abounds.

News by COMMODITIES

Chemicals

Chemical Plant Under Construction in South Australia

A chemical plant costing £500,000 is nearing completion in South Australia, a British technical publication reports.

It is one of a chain of four being erected in different States at a total cost of more than £2,000,000.

The factory, it is expected, will produce fertilizers after the war.

Hungarian Factory Completed

The Hungarian Chemical Co. (Magyar Vegyimuvek R. T.), organized in 1942, expects to start operations soon.

It was reported in November that construction of the factory had been completed and that the technical equipment was ready.

Tar-Products Market, U. K.

The tar-products market in the United Kingdom continues active, the British press reports. Essential domestic needs have been supplied, and increased amounts have been available for export.

Pitch-creosote mixtures are being taken in substantial volume for liquid-fuel purposes, and pyridine and other tar bases have been in greater demand.

Dyestuffs Industry May Be Established in India

A survey conducted by the Indian Department of Scientific and Industrial Research indicates that a considerable portion of India's requirements of dyestuffs can be produced from domestic raw materials, the British press reports.

On the basis of a 15-year plan, involving the production of 51 dyes, it is estimated that 50 percent of the domestic consumption of dyes could be supplied. The establishment of such an industry is considered practicable.

Looking Too Far Ahead

Spurred by a need for cotton for the manufacture of rubber tires and equipment, the Japanese are rushing their "5-year plan" to make Java self-sufficient in fibrous material. Cotton is No. 1 on the list, as is indicated by a broadcast on December 10 via Radio Tokyo that 1,500 acres in the Sultanate of Sourakarta, in central Java, would be converted from rice to cotton. Planting will begin immediately after harvesting the present rice crops, it was stated.

Other important items coming under the "5-year plan" are kapok and ramie. Ramie is a substitute for jute which, of course, is no longer available to the Japanese from British India. It is used to make the rough fiber sacks which serve as containers for sugar and other produce from Java's plantations. It is known that in some places the Japanese have planted entire tea plantations with ramie.

Coal

Brazilian Coal Output Increased

Increased Brazilian output of coal has been necessitated by the curtailment of imports which before the war amounted to about 1,400,000 metric tons annually. Of 1,046,975 metric tons produced in 1939, 841,026 tons came from the State of Rio Grande do Sul and 204,181 from Santa Catarina. By the end of 1942 monthly production in Santa Catarina had increased to 46,000 tons. The present annual output in Rio Grande do Sul amounts to 1,300,000 tons. With a view to replacing imports, more attention has been given to Santa Catarina coal because of its better quality.

Canadian Coal Production

Coal production in Canada in September 1943 is officially reported at 1,441,000 tons, compared with 1,463,000 tons in September 1942. For the first 9 months of 1943, total output amounted to 13,029,000 tons.

South African Mines Working at Peak Capacity

The coal mines of Natal, Union of South Africa, are working at peak capacity to meet the increased need for coal in Italy, the Middle East, and India. The extent to which local collieries will be able to meet the demand will depend, however, on the availability of additional railway trucks and the employment of more European and native workers.

A new dumper, capable of disposing of 1,200 tons of coal an hour, has been installed at Durban. It can handle 30 railway truckloads of coal an hour and can also be used for loading manganese and iron ore.

Construction

Improvement Program, Valdivia, Chile

An improvement program to cost 4,000,000 pesos is being planned by Valdivia, Chile. Funds will be distributed as follows: 1,700,000 for streets, including payments for expropriations; 400,000 for other expropriations: 400,000 for recreational facilities; 200,000 for housing projects; 900,000 for new municipal offices; and 400,000 for a separate project calling for the paving of streets, the construction of workmen's houses, and the setting up of recreational grounds for children.

Peruvian Building Projects

A number of new building projects have recently been approved by the Peruvian Government. Plans include the following: An irrigation project estimated to cost 96,000,000 soles to provide water for some 100,000 hectares of land between the Santa River and the plains of Paijan; the diversion of water from the Chotano to the Chancay Rivers to increase the water supply of the Province of Chiclayo, at a cost of 8,000,000 soles; other irrigation projects in various districts totaling 850,000 soles; construction of houses for workers in Trujillo, 1,000,000 soles; the erection of tourist hotels in Nazca and Arequipa at an estimated cost of 690,000 soles; the construction of port works at Salaverry and San Juan, 88,000 soles; and the improvement of the water-supply systems of Lima and Ayacucho, 235,000 and 47,000 soles, respectively.

Post-War Program of Durban, South Africa

The city of Durban, Union of South Africa, is planning a post-war construction program to cost $160,000,000. Approximately $92,000,000 will be spent on low-cost housing; $1,200,000 on a block of civic offices; $2,200,000 for improving beaches; $720,000 on a concert hall; and $460,000 on a boardwalk and similar attractions.

The erection of 3,000 houses for the native inhabitants in the Umlazi Reserve is also planned.

New City Near Johannesburg, South Africa, Planned

A new city, Vanderbijl, is being planned to house the large number of workers who will be employed in the steel and engineering plants now under construction in the vicinity of Johannesburg, Union of South Africa, the foreign press says. An airport, a stadium, and a water gate on the Vaal River will be features of the city.

Electrical Machinery and Equipment

Power Situation, Bulgaria

Unless there is a reduction in the consumption of electricity in Bulgaria, the Sofia radio has announced, domestic service will be cut off entirely. Using electric heaters is forbidden, and warnings have been issued to the effect that other electrical appliances may not be connected between dusk and 8 a. m.

The present annual power production of 300,000,000 kilowatt-hours will soon be supplemented by an additional 20,-

000,000 kilowatt-hours from a power plant under construction in central Bulgaria. Another project, on the Rosita River, consisting of a dam with a capacity of 220,000,000 cubic meters and two generating stations producing 30,000,000 kilowatt-hours is nearing completion.

The construction of 940 kilometers of high-voltage lines (11 and 20 kilovolts) in the northern part of the country was not completed in 1943 as scheduled because of lack of materials, but it was hoped that the hydroelectric station in the Troyan district with an annual production of 12,000,000 kilowatt-hours might be.

Electrical-Equipment Exports From Argentina

Although the amount of electrical equipment exported by Argentina is small, the value of exports in 1942 was greater than in 1941. Radio apparatus and lamp exports showed marked increases in value in 1942.

The following table gives in detail the value of electrical equipment exported during 1942, with the amount of increase or decrease compared with 1941:

Exports	1942	Increase or decrease compared with 1941
	Pesos	*Pesos*
Accumulators, batteries, and parts	33,000	−40,000
Telephone apparatus and parts	265,000	+180,000
Radio apparatus and parts	3,415,000	−735,000
Lamps	406,000	+1,000
Other electrical goods	1,117,000	+432,000

Manufacture of Small Motors Expands in Brazil

Because of the difficulties in importing small electric motors, manufacture in Brazil expanded from 3,393 units valued at $80,975 in 1940 to 17,756 units with a value of $421,420 during 1941, 24,629 units valued at $748,120 in 1942, and an estimated 24,720 units valued at $1,718,607 in 1943. This industry is not expected to flourish in the post-war period, however, inasmuch as the cost of domestically produced motors far exceeds that of the imported ones.

A factory with a total capacity of 3,400 units has been established for the manufacture of magnetic circuit breakers.

Power Facilities to be Expanded in Colombia

Many of the cities of Colombia are planning to expand their power facilities in the post-war era.

A plant to have a 30,000 horsepower capacity is scheduled for construction on the Balsora River to serve central Caldas communities.

The city of Manizales is installing an auxiliary plant of 500-horsepower capacity to supplement its present production of 3,730 kilowatts.

Another post-war project is a hydroelectric plant to be located on the Guarino River in eastern Caldas. This plant, producing 1,000 kilowatts, will benefit principally the towns of La Dorada and Victoria.

The sugar center, La Manuelita, located near Palmira, Valle, is trying to interest the Government in plans for a new dam which would provide an estimated 25,000 horsepower and also irrigation facilities.

The Anchicaya project, located on the Anchicaya River between Cali and Buenaventura, is expected to be in partial operation by 1947 or 1948.

German Power Situation

The amount of electricity that may be used in German hotels and boarding houses has been reduced, according to the German radio. Also, the use of elevators has been further restricted.

In the Dusseldorf area, the public has been warned not to use heating appliances between black-out and 10 p. m., since on several occasions the supply has broken down. In the Breslau area, the use of all electrical heating appliances is forbidden.

Hungary Plans to Augment Power Resources

Hungary is beginning to utilize waterpower resources more fully, since the demand on electric current is steadily increasing and the coal shortage is becoming more critical, states the foreign press. Two hydroelectric plants have been completed in the Carpathians, and a plan to utilize the Talabor and Nagyag Rivers is being considered. In addition to these projects, two plants are being erected in the brown-coal regions of central Hungary.

The 250 power stations of Hungary supply 27 percent of the communes with electricity, except in northern Transylvania where the percentage is only 4.2.

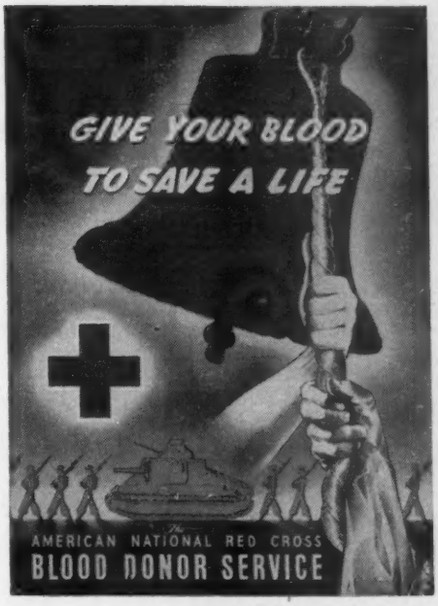
Electricity Production Increased in Switzerland

Construction of new hydroelectric plants in Switzerland increased the 1943 production of electricity by an estimated 320,000,000 kilowatt-hours. Total annual production for 1943 was estimated at 8,000,000,000 kilowatt-hours.

Johannesburg, South Africa, Plans Power Expansion

Johannesburg, Union of South Africa, is considering a plan whereby electricity supply and distribution systems would be doubled in the next 7 years at an estimated cost of £4,249,000, states the foreign press. This program would include the following improvements: Two large generating sets at the Orlando power station to cost £1,400,000; extensions to the distribution system and new substations throughout the city estimated to cost £1,710,000; a special distribution-system expansion to be started immediately to cost £750,000; and additions to the water cooling tower system.

Electrical expansion during the past 8 years has cost Johannesburg £6,300,000. Two 20,000-kilowatt units have been added to the city power station and three 30,000-kilowatt sets to the Orlando plant. Also 88-kilovolt and 20-kilovolt network systems have been constructed.



Foodstuffs and Allied Products

Food Situation in Portugal

The Lisbon press is giving considerable attention to the problem of adequately feeding the Portuguese nation during the war, and a number of suggestions have been brought forward.

A leading article in the Lisbon Jornal do Commercio on November 4, 1943, stated that the importation of foodstuffs into Portugal during the first 8 months of 1943 was appreciably less than during the corresponding period of 1942 and that, of eight fundamental food staples, only rice supplies showed signs of improving. Rice is the only domestic grain crop whose 1943 yield was reported good.

Imports of sugar, coffee, codfish, and other important food staples also decreased during 1943 as compared with the preceding year, despite an increase in Portuguese ship tonnage available. The result of the decrease in supplies has been a sharp rise in the cost-of-food index from 147.4 in January 1943 (on the basis of 100 for the period from July 1, 1938, to June 30, 1939) to 160.4 in August 1943, the latest month for which figures are available.

The situation as regards wheat and other grains has been further aggravated by the deficiency in domestic crops, not only during 1943 but also during several preceding years, and the Portuguese agricultural authorities are making strenuous efforts to increase production of all cereals, particularly wheat. It is reported that there is land along the northern coastal strip and in the Beira region to the east where the area sown to wheat might be appreciably increased.

Farmers are also being urged to increase production by the intersowing of corn in the fields of the winter cereal crops such as wheat and oats while the latter are still standing. By sowing the corn in the early spring before the win-

White Mink Need "Points"

Albino mink, or white mink, is rather rare in the northern wilds, but recently three of these valuable fur-bearing animals traveled by railway express from Shallow Lake, near Owen Sound, Canada, via Toronto and Montreal, to a fur ranch at Lachute, Quebec. They are meat eaters and were given suitable meals of minced steak, and meat coupons were provided in order to make this possible.

Instructions were given that the mink family be kept away from heat, and during stop-overs they were taken to the coldest spot available.

The albino mink is scarce, but is now being raised on ranches. Their skins, more valuable than those of their brown cousins, are valued at from $40 to $45 per pelt.

ter cereals are harvested, it would have a longer germinating period during the season of abundant rainfall. This method of intersowing, it is claimed, would result in increased yields for both crops.

The seriousness of the food situation in Portugal is reflected in the rationing of bread. It is understood that the supply of flour allotted to the individual bakeries has already been curtailed.

Dairy Products

Butter Stocks in Eire

Stocks of creamery butter held in public cold storage, at the creameries and factories, and at merchants' premises in Eire totaled 21,386,268 pounds on November 15, 1943, compared with 22,415,568 pounds on October 31. Factory and other butter stocks amounted to 2,305,296 pounds compared with 2,456,496 pounds on October 31.

During the period from November 1 to 15, the production of creamery butter was approximately 2,027,000 pounds, of which 81,536 pounds went into cold storage. Withdrawals of butter amounted to 637,168 pounds.

The Government is paying a subsidy on butter of about 2½ pence a pound. The total amount contributed by the Government for this purpose is about £2,000,000 a year. (1 pound Sterling = $4,025 U. S. currency.)

Dairy Farming Progresses in Nigeria

Nigeria's dairy-farming industry continues to progress, according to the foreign press. About 380,000 pounds of butter were produced by two dairies in the colony during 1943.

Cheese production in two dairies at Vom and Jos amounted to 13,000 pounds. A large cheese factory is being built at Pankshin, and it is expected to produce about 150,000 pounds of cheese in 1944.

The demand for fresh milk is still growing and one dairy supplied nearly 120,000 bottles in 1943.

A new veterinary school has been started at Vom to train assistant veterinary officers and veterinary assistants.

Fish and Products

Eire's Fish Catch

The total catch of all kinds of fresh sea fish landed on the coasts of Eire during the 10 months ended October 1943 amounted to 194,448 hundredweight (of 112 pounds), valued at £372,973, compared with 182,071 hundredweight valued at £326,086 during the corresponding period of 1942.

Mackerel, whiting, and herring catches totaled 66,619, 30,695, and 39,430 hundredweight, respectively.

The shellfish catch was valued at £49,993 as against £33,072 in the comparable period of 1942. The catch of escallops amounted to 373,924, and of lobsters and oysters to 222,430 and 48,453 hundredweight, respectively.

A large portion of the fresh sea fish and shellfish is exported.

Fruits and Nuts

Banana Agreement Between Jamaica, B. W. I., and U. K.

Since the outbreak of war, exports of bananas from Jamaica, British West Indies, have been negligible. Because of the importance of the banana industry to the general economy of the island, the British Government agreed to purchase at a fixed price all high-grade marketable fruit, up to a maximum of 12,000,000 stems per annum, whether the fruit is exported or not. This arrangement is to be effective until June 30, 1945.

It is estimated that the quantity purchased in 1943 did not exceed 9,000,000 stems, but the guaranty should have a stimulating effect on the industry and bring 1944 production nearer to the limit set by Great Britain.

Cuban Citrus-Fruit Industry

Although the citrus-fruit industry in Cuba holds only a minor place in the foreign trade of the country, citrus trees are planted in large numbers of gardens, and there are commercial orchards in almost every section of the island.

It is estimated that there are about 1,555,500 citrus trees in Cuba, consisting of approximately 1,250,000 orange trees, 93,000 grapefruit trees, 200,000 lime trees, 12,000 tangerine trees, and about 500 citron trees. Ordinarily these trees are estimated to produce approximately 200,000,000 oranges, 25,000,000 grapefruit, 80,000,000 limes, 1,500,000 tangerines, and 20,000 citrons annually.

Practically all the oranges produced in Cuba are consumed in that country; they are one of the fruits extensively used throughout the year by all classes of people.

The grapefruit industry on the main island of Cuba is of relatively little importance, but it accounts for at least 65 percent of the cash income of the Isle of Pines. About 60 growers concentrate on the production of grapefruit for the United States and British markets, and from 100,000 to 200,000 crates are shipped each year.

The local market for grapefruit has become important only in recent years. Up to about 1920, grapefruit consumption in Cuba was practically nil. By 1925, about 5,250,000 grapefruit from the Isle of Pines and small quantities of other Cuban grapefruit were absorbed annually in the local market. The market has continued to expand, reaching an unprecedented peak in the season ended July 1943. During that season export shipments were seriously curtailed by lack of shipping facilities, and more than 9,000,000 fruit from the Isle of Pines and about 6,000,000 fruit from other parts of the country were consumed in Cuba.

Commercial lime production for export is on a limited scale. Limes are widely used domestically, however, because of the absence of lemons in Cuba. Large numbers of wild lime trees scattered over the island supply most of the country's needs, but there are a few cultivated orchards. Wild limes can be obtained in the Habana market throughout the year and Persian limes during a large part of the year.

Peanut Production in Paraguay

Peanuts, to a great extent, are considered a food crop in Paraguay. They are eaten roasted, and large quantities are used in inexpensive candies. In some parts of the country, peanuts are mixed with corn as a food product.

The area planted and annual production of unshelled peanuts for the period 1937–43, as compiled by the sources listed, are given in the following table:

Year	Area planted	Estimated production
	Hectares	*Metric tons*
1937	11,314	16,971
1938	11,272	16,908
1939	12,637	18,955
1940	19,580	29,370
1941	10,930	15,303
1942	11,610	12,800
1943	[1] 15,420	17,000

[1] Estimated.

NOTE: Figures for the years 1937 through 1941 were obtained from the Division of Rural Economy and Statistics of the Ministry of Agriculture, Commerce, and Industry. That office's figure of area planted in 1942 is given, but the 1942 production figure is the estimate of Servicio Técnico Interamericano de Cooperación Agrícola (STICA). The 1943 estimate of area planted and production were furnished by STICA.

Spanish Orange Industry

The orange crop is the most important factor in the economy of the Levante region of Spain. There are some 39,000,000 orange trees in this area, and average annual exports for the 5 years immediately preceding the Spanish Civil War were close to 1,000,000 metric tons.

The European war brought about important changes in the orange industry of Spain. In 1941–42 exports dropped to 211,024 tons, and in 1942–43 to 161,603 tons. Germany replaced Great Britain as Spain's best customer for oranges.

The 1943–44 crop is calculated at from 550,000 to 600,000 tons. The Spanish market cannot absorb more than 250,000 tons at best, and the two important potential foreign buyers, Germany and Great Britain, have shown little interest—Germany because of transportation and financial difficulties and Great Brit-

ain because of other sources of supply and unfavorable exchange rates.

On November 25, 1943, an agreement was signed providing for the purchase by Great Britain of 108,000 tons of oranges. The signing of this agreement does not solve Spain's problem of a surplus orange production, but it serves to ameliorate the situation. Assuming that the current crop amounts to 600,000 tons, and that the home market consumes a full 250,000 tons, there still remain 350,000 tons, of which Great Britain has contracted to take less than a third.

Grain and Products

Payments for Wheat-Acreage Reduction To Be Discontinued in Canada

Wheat - acreage - reduction payments, which have been in effect in Canada for the past 3 years, will be discontinued in 1944, subject to parliamentary approval at the coming session. When the payments were commenced, the basic price of wheat was only $0.70, and it is now $1.25.

No acreage payments will be made in 1944 for diverting wheat acreage to the production of other crops and summer fallow. The announcement was coupled with a reiteration of the fact that wheat stocks are already ample to meet demands for 2 or 3 years, and that no greater acreage than last year is called for.

Congestion at western country elevators and the necessity for continuing individual delivery quotas will continue to discourage excessive grain production for marketing.

White Flour Now Milled in Eire

The Government in Eire announced some time ago that on December 13, 1943, bread made from a flour of about 85 percent wheat extraction with an admixture of barley would be on sale to the public.

The change to white flour has been made possible at the expense of Eire's export trade, as the barley to be used as admixture to wheat was formerly allotted to beer and porter manufacturers who had a large export trade in these products.

The Medical Research Council of Eire is of the opinion that flour of 85 percent extraction will be healthful and will help prevent rickets in children.

It was stated that there is no intention to ration either bread or flour at present, but, as the Government has to subsidize the price of flour to the extent of approximately £2,000,000, it will be necessary to increase the price of bread.

Silos to Store Grain Crops to Be Built in Panama

Silos are to be constructed in the Provinces of Chiriqui, Veraguas, Cocle, and Los Santos of Panama to store the grain crops of 1944. Panama expects to eliminate importations of corn during 1944 by increasing domestic production.

Meats and Products

Pig Production, Nigeria

Pig production is increasing in Nigeria. The piggeries of the Agricultural and Veterinary Departments supplied 696 pigs for bacon production in 1943, and in addition 24,000 pounds of bacon were produced by the Veterinary Department.

Spanish Livestock Slaughter

Spanish livestock numbers and slaughter by species in the 1942–43 livestock year ended October 31, 1943, are shown in the following table which has been compiled from data supplied by the General Commission of Supply and Transportation:

Species	Livestock	Slaughter
	Number	*Number*
Cattle	4,151,599	705,123
Sheep	23,489,414	3,540,195
Goats	6,109,150	910,420
Hogs	4,972,837	753,722

Vegetables and Products

Chilean Bean Acreage

According to the first official forecast, 83,084 hectares (1 hectare=2,471 acres) were sown to beans in Chile in 1943, compared with 1942 acreage of 82,897 hectares.

Although the area sown to all types of beans has not increased appreciably, it is believed that a greater proportion of export-type beans (Arroces, Cristales, and Red Kidneys) were sown in 1943 than in the preceding year. A disproportionately large area was sown in 1942 to the varieties of beans preferred by local consumers, but recently revived interest on the part of foreign purchasers is believed to have caused a shift toward the production of export types.

Furs

Fur Farming Reduced in Sweden and Norway

The number of fur-bearing animals in Sweden as well as in Norway has been much reduced in recent years, mostly because of feed shortages.

Official published figures indicate that in 1943 Sweden had 64,000 silver fox, 26,000 blue fox and 56,000 mink. In 1939, silver fox numbered 150,000, blue fox 44,000, and mink 107,000.

Before the war 5,010 fur farms employing 6,000 persons, were functioning in Sweden. At this time there are reportedly only 2,576 fur farms, and most of these are being run in conjunction with agriculture.

Sweden's 1943 pelt output is estimated at 42,000 silver fox, 19,000 blue fox, and 37,000 mink skins.

According to reliable Swedish sources, Norway, which in pre-war years was the world's greatest producer of silver fox, contributed only about 60,000 silver-fox skins in 1943.

Iron and Steel

Canadian Production

An official report of iron and steel production in Canada in the first 10 months of 1943 shows output of 1,478,760 net tons of pig iron, 175,607 tons of ferro-alloys, and 2,509,712 tons of steel ingots and castings.

October production of pig iron dropped to 146,794 net tons from 147,902 in September 1943 and 175,424 tons in October 1942; output of 16,843 net tons of ferro-alloys registered a decrease from 17,007 tons in September 1943 and 18,266 tons in October 1942.

Output of steel ingots and castings increased, however, to 271,976 net tons in October 1943 from 241,255 tons in September 1943 and 271,127 in October 1942.

Canadian Iron-Ore Deposits Investigated

Reporting on recent extensive investigations of iron-ore deposits lying below Steep Rock Lake in Ontario, Canada, a British journal states that output of 2,000,000 tons or more a year can be expected for many decades. The grade of the deposits is reported to be comparable to that of ore bodies in the Lake Superior areas.

Lumber and Products

Situation Improved in Canada

Because of a slight improvement in the lumber situation in British Columbia, Canada, priority timber yards have been advised by the Timber Controller that stocks may be released without approval of the Control, the Canadian press reports.

Dealers are urged to restrict sales to essential needs, however, and to give preference to war requirements. Since weather, labor, and other factors may affect future production, it is necessary, the Controller states, to exercise care in disposing of stocks, even though present conditions are more favorable.

Exports of red-cedar shingles to the United States from British Columbia during November showed an improvement over shipments in November 1942.

Official OWI Photo

Cedar-log stocks, however, are low, and continue to decline.

Lumber operations in the Gaspe Peninsula have been more active this season than for many years, states a Canadan timber publication.

A number of large lumber and pulp companies are working in the region.

Hungarian Company to Promote Lumber Industry

A company has been established in Csikszereda, Hungary, to promote the lumber industry of the Csik district, the Hungarian press reports.

The concern will organize timber production and attempt to improve market possibilities. Transportation difficulties have been a considerable handicap in securing increased output since many forests are located in remote mountain regions.

Swedish Wood Auctions

Two large auctions of wood from Swedish Crown forests were held in Lulea and Umea in the early fall of 1943, a European lumber journal reports.

At Lulea 1,157,000 trees were offered for sale and 276,000 cubic meters of wood, a substantial decrease from the 1942 figures of 1,813,000 and 448,000, respectively.

The number of trees for sale at Umea decreased to 1,649,000 from 2,018,000 in 1942, and the amount of wood to 430,000 cubic meters from 546,000 in 1942.

Timber and Log Production in Uganda

Because of a continuing demand for lumber for war purposes, log sales from Crown forests and lands in Uganda in 1942 were 63 percent greater than in 1941 and double those of 1938, states the annual report of the Protectorate Forest Department.

Licenses to cut in Crown areas were increased during the year from six to nine. Output totaled 22,863 cubic tons of sawn timber and 289 cubic tons of logs.

Total production of Crown and private forests amounted to 30,690 cubic tons of sawn timber, of which 25,653 tons were exported, plus the 289 tons of logs.

Output of timber reached almost a maximum by the end of 1942. Transportation difficulties and shortages of machinery and equipment make any large sustained increase unlikely for the present.

Machinery, Other Than Electrical

Brazil Manufacturing Simple-Type Machinery

For the past year, Brazil has been attempting to produce machinery and machine tools which were formerly imported. So far, only simple types of machinery are being manufactured.

A cigarette establishment has partially converted to the manufacture of cigarette machinery. Three companies now produce laundry equipment, including metal cylinder-type washers, laundry extractors, flat-work steam ironers (both chest and cylinder types), blanket and curtain dryers, and drying tumblers.

The State of Sao Paulo had produced 1,876 lathes, valued at $1,342,050, up to the end of November 1943, an increase over the 1,047 lathes, valued at $553,225, of 1942.

Medicinals and Crude Drugs

Australia Requires Licenses for Imports of Certain Drugs and Chemicals

Several chemicals and drugs recently have been brought under administrative control in Australia. Though there are no quota restrictions for these commodities, they cannot be imported without licenses, applications for which are to be dealt with individually. Included in the new order are: Olive oil; ochres; sulfur; benzoic acid and its sodium and potassium salts; hexamine; tartar emetpostassium salts; hexamine; tartar emetic; atropine sulphate; bromine; calcium lactate; cocaine; calcium gluconate; iodine; phenolphthalein; theobromine; vitamin B_1 powder; peptone; potassium hydroxyquinoline sulfate; bismuth carbonate; iodide and subnitrate; and emetine.

British Guiana Imports

Medicines and drugs valued at $230,471 were imported into British Guiana during the first semester of 1943, compared with $114,826 in the corresponding period of 1942, the foreign press says.

Penicillin Production in Peru

Outstanding penicillin experiments in Peru are being conducted by a member of the Instituto Nacional de Higiene, with an advanced medical student, who has been doing research in this field since early in 1943. Their particular variety is referred to in interviews as "penicillium notatum," which is the principal type used in the United States. Some sources believe, however, that it is actually a less widely known specie.

Although the humid climate of Lima is conducive to the rapid development of the common mold, the present experimental output of penicillin in Peru is both small and irregular. The aforementioned doctor is said to be the sole producer of penicillin in Peru, and, because there are no importations of the product, he is the only supplier for domestic consumption.

It is possible that the local manufacture of penicillin may be placed under the control of Instituto Nacional de Higiene, as are vaccines and serums, according to some trade authorities of Peru.

Professional literature on the subject is meager in Peru, but those who are acquainted with the experiments are optimistic concerning the future production of penicillin in Peru.

Peruvian Cooperatives Cultivating Cinchona Trees

Several new agricultural cooperatives in Peru, through their cultivation of cinchona trees, are expected to increase the quinine production, states a foreign chemical magazine.

New Process for Distilling Herb in U. K.

A description of a new process for the distillation of the stem of *Myrrhis odorata*, the cicely herb native to Britain, is given in a recent issue of a pharmaceutical journal of that country. The authors believe that it is possible that this plant might be used to compensate for the shortage of anise oil or as a source of anethole.

Steeds "Out of Luck"

Need for horse hair led the Rumanian Government to order that manes and tails of all horses be shorn, several weeks ago, and that the hair be delivered to the Rumanian Leather Office.

Thoroughbreds and those afflicted with mange were the only horses unaffected by this decree.

Motion Pictures and Equipment

New Zealand's Imports Increase

New Zealand's imports of motion-picture films and equipment from January through August 1943 were substantially higher than during the corresponding months of 1942. Total values for the two periods, as reported by the New Zealand Customs Department, were £NZ205.750 and £NZ137,465, respectively.

Naval Stores and Resins

Indian Lac Developments

A report on lac, recently issued by the Agriculture Marketing Adviser to the Government of India, contains suggestions for increasing the utilization of lac and improving marketing methods, the British press says.

Although lac is used in the production of a wide variety of articles, the total consumption in India is small. Work done at the Indian Lac Research Institute has shown the possibilities of using shellac for plastics and electric-insulation purposes, it is stated.

The report indicates that the dormant lac-dye trade might be revived by better methods of recovery. Improvement of the domestic process used in the manufacture of shellac and seedlac would result in a saving of time and labor and yield a better product, it is stated. A double-bag system for melting shellac is recommended to obtain a higher-quality yield.

Stabilization of prices and the regulation of markets and marketing charges are urged.

Turpentine and Resin Market, U. K.

The volume of business in the United Kingdom turpentine and resin market

continues to be regulated by the supply situation, a British technical publication reports.

Amounts available are readily absorbed by the paint and other industries. However, there is practically no distribution of raw materials except to priority users.

Nonferrous Metals

New Brazilian Aluminum Plant to Begin Production in 1944

The aluminum plant under construction by the Electro-Quimica Brasileira, S. A., at Ouro Preto, State of Minas Gerais, is expected to begin production in the spring of 1944. With normal production estimated at 2,000 metric tons a year, it is reported that the country's pre-war level of requirements for aluminum can be filled by this plant.

Canadian Gold and Silver Output

Canada's output of gold in the first 9 months of 1943, as officially reported, amounted to 28,421,000 ounces. Production in September 1943 totaled 2,828,000 ounces compared with 3,774,000 ounces in September 1942.

Silver production in the January-to-September 1943 period is reported at 13,300,000 ounces, the September 1943 output decreasing to 1,620,000 from the 1,758,000 reported for September 1942.

Nonmetallic Minerals

Canadian Production

Nonmetallic minerals produced in Canada in the first 9 months of 1943 included 291,000 tons of gypsum, 18,789 tons of feldspar, 251,927 tons of commercial salt, 5,765,000 barrels of cement, 701,537 tons of lime, and clay products valued at $4,655,000.

With the exception of cement, production of which decreased in September 1943 to 877,000 barrels from 1,095,000 barrels in September 1942, output of minerals in September 1943 exceeded that of the corresponding month of 1942, as follows:

Item		September 1942	September 1943
Gypsum	tons	22,000	51,000
Feldspar	do	2,036,000	2,722,000
Commercial salt	do	26,417,000	30,929,000
Lime	do	75,932	84,353
Clay products	dollars	593,000	678,000

Colombian Cement Production

Production of portland cement in Colombia increased from 167,000 metric tons in 1939 to 218,000 in 1942, and 110,000 tons in the first half of 1943. With the Nare plant in production, it is expected that total output for 1943 may be as high as 260,000 metric tons, more than enough to supply the domestic demand of from 240,000 to 250,000 tons annually. The directors of two leading cement companies have expressed the opinion that increased production will result in a larger local demand rather than a greater volume of exports. Freight rates are low to neighboring markets, however, and sales to Panama and Venezuela are expected to be maintained.

Imports of portland cement into Colombia decreased from 1,913,120 net kilograms valued at 99,708 pesos in 1941 to 667,783 net kilograms (36,167 pesos) in 1942. Imports of white cement were reported at 2,017,890 net kilograms (129,164 pesos) in 1941 and 711,016 net kilograms (95,719 pesos) in 1942.

The increase in exports of portland cement was from 550,055 net kilograms (28,407 pesos) in 1941 to 5,079,422 net kilograms (224,554 pesos) in 1942 and 5,660,007 net kilograms (257,649 pesos) in the first half of 1943.

Mica Controlled in Southern Rhodesia

All mica produced in Southern Rhodesia must be sold to Associated Insulated Products, Ltd., an African company appointed by the government of the colony as sole buyer and exporter of mica. This order became effective November 1, 1943, and is reported by the foreign press to be part of a plan of the Ministry of Supply in London to stimulate and coordinate Empire supplies and expedite the distribution of mica.

Venezuelan Cement Production

Present production of cement in Venezuela is estimated at 120,000 tons, while normal consumption is placed at around 280,000 tons.

A new cement company, with capital of 9,000,000 bolivares has been organized under the name of Compañia Anónima Venezolana de Cementos. The plant is to be erected at a site known as Portigalete.

Trends in Southern Rhodesian Mining

Southern Rhodesia's mineral and metal output for the first 9 months of 1943 was valued at £6,691,000, a decrease of nearly 5 percent from the output of the comparable 1942 period.

Gold production from January through September 1943 totaled only 499,745 fine ounces, valued at £4,198,000, compared with 513,680 fine ounces valued at £4,849,000, produced during 9 months of 1942.

The production of silver also declined 91,770 ounces being mined in the 1943 period, while 122,000 ounces were produced from January through September 1942.

In contrast to this decline in precious metals, the *strategic minerals* continued to show an *upward* trend in production. Total output of base metals and minerals for the 1943 period increased more than 15 percent, to £2,484,000 from a value of £2,152,000 for the 1942 9-month period.

Southern Rhodesia, it may be noted in passing, is one of the world's producers of tantalite, the strategicmineral that is discussed in a special article beginning on page 6 of the present issue of Foreign Commerce Weekly.

Oils and Oilseeds

Argentine Linseed Production

Linseed production in Argentina is expected to amount to 1,800,000 tons during the 1943–44 season. This would be 18 percent greater than the output of 1,525,000 tons in the preceding year, according to a foreign trade journal.

Canadian Flaxseed Crop

The second official 1943 crop estimates for the Prairie Provinces of Canada, as released by the Dominion Bureau of Statistics, place the area devoted to flaxseed at 2,768,400 acres, the yield per acre at 6.3 bushels, and production of flaxseed at 17,400,000 bushels.

Various private estimates had ranged from 16,711,000 to 20,258,000 bushels.

The Grain Research Laboratory of the Board of Grain Commissioners has conducted a survey concerning the quality of 1943 western Canadian flax. For that portion of the crop inspected during the first 3 months of the 1943–44 crop year, the mean oil content was 42.9 percent—the mean iodine value 187.3 units—and the mean protein content of oil-free meal 41.3 percent. These figures compare favorably with data for crops since 1939.

Surinam Obtains Machinery for Peanut-Oil Extraction

The government of Surinam has obtained machinery for the extraction of peanut oil and is expected to begin operations soon, according to reliable sources. It is believed by authorities of that country that this will stimulate peanut cultivation.

Spanish Oil Situation

Olive-oil production in Spain in 1943 was expected to be about twice that of 1942. Revised estimates by the trade have placed 1943 production at from 380,000 to 400,000 metric tons; the previous harvest was estimated at 200,000 tons.

That there is an abundance of olives is evident from the Government's granting permission to pickle various varieties of green olives.

The olives are reported to be of good quality, and harvesting proceeded normally though gasoline and tire shortages added transportation difficulties, and pressing plants had less electricity than in former years.

Blended olive oil is being rationed in Seville at the rate of one-half liter each 2 weeks. Previously, one-fourth liter of fine or ordinary olive oil had been allotted weekly.

Besides rationing, the Spanish Government has further control over the industry, including production, distribution, and price.

Trade sources have estimated the production of sulfur oil in Spain during 1943

For Syria's Health Requirements

Since the third quarter of 1943, a committee composed of a Syrian, a Lebanese, a Frenchman, a Britisher, and an American has been functioning in matters related to the handling of Lend-Lease pharmaceutical and similar supplies for Syria and Lebanon. More specifically, this group advises as to the essential pharmaceutical requirements of those regions and the questions of distribution and price control, to the end that the necessary commodities shall be made available to consumers at the lowest possible cost. In addition, the board's scope includes matters relative to the prevention and control of epidemics and general health and sanitation conditions in that important near Eastern area.

at from 38,000 to 40,000 metric tons. Stocks are thought to total between 5,000 and 6,000 tons, and it is believed that there are supplies of "crujo" on hand from which the oil has not been extracted.

Paints and Pigments

British Guiana's Imports

British Guiana's imports of paints, colors, and pigments in 1942 amounted to 7,143 hundredweight, with a value of $165,870, compared with 8,756 hundredweight in 1941, valued at $136,878, the foreign press reports.

Canada furnished $92,878 of the 1942 total, and the remaining portion was divided between the United Kingdom and the United States.

Chrome Pigments Manufactured in Bombay, India

The Premier Chromate & Chemical Works, Ltd., of Bombay, India, are now manufacturing a range of chrome pigments, a British chemical publication announces.

Products include lemon chrome, middle chrome, orange chrome, and chrome green.

The company also produces sodium and potassium bichromates.

Paper and Related Products

Fiber-Board Factory Under Construction in Kenya

A fiber-board factory is being built at Thika under sponsorship of the Kenya Government, states a British publication. Between 2 and 3 tons of waste paper will be used by the factory daily. Initial output will be used principally for military construction work.

Paper Companies in Newfoundland Lack Workers

Both of Newfoundland's large paper companies continued to be short of forest workers during November 1943. These companies estimate that they could employ at least an additional 1,000 to 1,500 men during the current winter months when cutting for 1944 and 1945 operations is under way.

Petroleum and Products

Canadian Production

Total Canadian petroleum production for the 12 months, September 1942 through August 1943, was 10,126,900 barrels. Monthly production figures during this period varied between 826,100 and 872,800 barrels with the exception of February 1943, when it dropped to 779,900 barrels.

Production of crude oil in Alberta, Canada, in October 1943 was 822,197 barrels, an increase of 23,986 barrels over September production but a decrease of 19,174 from October 1942 output. Natural-gas production in October 1943 amounted to 4,678,637,000,000 cubic feet compared with 4,363,975,000,000 cubic feet produced in the corresponding month of the preceding year.

Fuel-Oil Requirements in Dominican Republic Increase

Fuel-oil requirements of a leading electric company in Santo Domingo, which furnishes power for essential industries in the Dominican Republic, amounted to 30,452 barrels in 1943, an increase of 128 percent over 1941 requirements of 13,285 barrels.

Hungarian Motorists Encouraged to Use Propane-Butane

The Hungarian Government has reversed its policy and is now encouraging motorists to use propane-butane, a by-product of the distillation of home-produced oil and natural gas, says the Nazi-controlled press.

A second company, Maort Gasverevertungs AG, is now manufacturing this gas, and it is available to the public in larger quantities, it is claimed.

Hungarian Company Formed to Exploit Natural-Gas Deposits

A new company, Siebenburgische Erdgas AG (Transylvanian Natural Gas, Ltd.) has been formed in Hungary, for the purpose of exploiting natural-gas deposits in that country, the Nazi press reports. Share capital is 14,000,000 pengös.

Estimated Consumption in Nicaragua in 1944

According to recent estimates, Nicaragua, during 1944, will consume 3,013 barrels of lubricating oil, 200 barrels of white oils, 89 metric tons of greases, 45 tons of petrolatum, and 33 tons of wax. Estimated needs for light fraction, ethyl fluid, asphalt, and mineral spirits are negligible.

Mexican Production and Estimated Consumption in 1944

Total production of crude petroleum in Mexico for the first 9 months of 1943 amounted to 25,108,702 barrels. Average daily crude throughout was 98,800 barrels. Total refining capacity was 115,000 barrels.

The following table shows Mexico's estimated needs for petroleum products for 1944:

Products		Total consumption
Light fractions	U. S. barrels	21,400
Greases	tons	8,820
Petrolatum	U. S. barrels	800
Mineral spirits	do	None
White oils	do	7,950
Asphalt	tons	90,000
Lubricating oils	U. S. barrels	496,080
Wax	tons	24,000
Ethyl fluid	U. S. barrels	3,140
Crude petroleum	do	36,654,000
Kerosene	do	615,000
Aviation gasoline	do	210,000
Diesel oil	do	1,400,000
Motor gasoline	do	6,790,000
Fuel oil	do	21,000,000
Tractor oil	do	1,350,000

Rubber and Products

Canadian Experiments With Kok-Saghyz

The Canadian Government has made a report on six experimental plantings of kok-saghyz, the foreign press says. The average yield was 5,100 pounds per acre, which is slightly larger than that obtained in the Soviet Union. Rubber content of the Canadian root varied from 2 to 7 percent.

There are now nine experimental plantings in Canada, totaling about 35 acres. The National Research Council is said to be conducting experiments on the extraction of the latex from the plant.

Developments in Ceylon

Despite slaughter tapping on about 6 or 7 percent of total acreage planted in rubber in Ceylon, production of crude rubber in the first 6 months of 1943 was less than in the corresponding period of 1942, the British press reports.

Special schools for rubber tappers have been started in villages near the rubber areas, it is said.

Plans to instruct boys and girls in rubber-factory work are said to be under consideration. Little progress in rubber manufacture has been reported.

New Zealand's Imports

In the 8 months ended August 31, 1943, New Zealand imported raw rubber and rubber products valued at £NZ65,577, a decrease from £NZ159,671 for the corresponding period of 1942.

During 1942, 24,036 pairs of rubber boots with a total value of £NZ12,931

were imported; imports in 1941 amounted to 218,676 pairs, valued at £NZ102,390. Imports of rubber soles and heels were valued at £NZ5,593 in 1942, decreasing from £NZ24,303 in 1941.

Value of imports of rubber gloves decreased from £NZ4,754 in 1941 to £NZ2,854 in 1942. Likewise, the value of imports of hot-water bags and bottles dropped from £NZ22,243 in 1941 to £NZ3,666 in 1942, while total value of imported water-proof material decreased from £NZ78,186 to £NZ52,881 for the corresponding period.

Developments in U. K.

A director of British Celanese, Ltd., the company which has been licensed to manufacture synthetic rubber in bulk in England, has estimated, according to a British technical journal, that sufficient oil for the manufacture of 1 ton of synthetic rubber can be obtained from the processing of 4½ tons of coal.

The director has further estimated that it would cost about £4,000,000 to get into production a plant installation capable of turning out 36,000 tons of synthetic rubber annually.

Beginning January 1944, all tires manufactured in Great Britain will utilize synthetic rubber, although some crude rubber will of necessity be used, the British press reports. Tires containing synthetic rubber will be marked with a red medallion on the tire wall.

Production of tires for civilian use is not likely to increase beyond the present volume.

Experiments in the cultivation of koksaghyz indicate that large-scale growing of the plant in England would not be economical, the British press reports. Extraction of rubber must be made from the cells of the plant and is not obtainable from the milk or latex, and a great deal of hand care is required in the cultivation. Rich soil or soil that has had rich manurial treatment is required for maximum growth of the roots.

Farmers in England are in need of rubber boots and waterproof clothing, according to the British press. The supply of rubber tires available for farm tractors also is not sufficient to meet minimum needs, the report continues.

Scientific and Professional Equipment

Imports Into New Zealand

The value of surgical and dental instruments and materials imported by New Zealand during the first 8 months of 1943 was reported by the New Zealand Customs Department as £NZ291,762—more than twice the value of similar imports (£NZ137,570) in the corresponding period of 1942.

Imports of opticians' instruments and materials varied little in the two 8-month periods, being valued at £NZ30,523 in 1942 and £NZ31,249, in 1943.

Soaps and Essential Oils

Soap Imports Into British Guiana

Common soap valued at $323,504 was imported into British Guiana during the first half of 1943, compared with $60,865 in the first 6 months of 1942, states a foreign journal.

Bulgarians Must Declare Stocks of Menthol Oil

The Bulgarian press reports that the Commissar of Wartime Economy of that country has ordered all producers and owners of menthol oil to declare the available amounts of that commodity.

Special Products

Spain's Exports of Books in Spanish

To promote the shipment of a larger quantity and variety of books in the Spanish language, the Government of Spain has issued a decree providing for the granting to established firms of licenses to ship to the Western Hemisphere, on consignment, twice as many books as they exported during the period 1930–35. Books not sold within 3 years from the date of shipment are to be reimported into Spain.

The National Institute of the Spanish Book (Instituto Nacional del Libro Español) and the Spanish Institute of Foreign Currency (Instituto Español de Moneda Extranjera) will cooperate with the Ministry of Industry and Commerce in putting the new measure into operation.

Argentina consistently has been a large purchaser of Spanish books. In 1935, the last year before the Spanish Civil War, exports to Argentina amounted to 370 metric tons and were valued at 990,599 gold pesetas—almost double the total exports to all countries in 1942. (The total quantity exported in 1935 was 501.1 tons; the value 1,402,585 pesetas.) During the past 2 years, Argentina has continued to be the principal importer, and, of the other American Republics, the United States, Cuba, Brazil, and Venezuela have bought substantial quantities. Portugal has been the leading European buyer.

The following table shows the value and weight of Spain's exports of books in Spanish in 1941 and 1942:

Country of Destination	1941		1942	
	Weight	Value	Weight	Value
	Metric tons	*Gold pesetas*	*Metric tons*	*Gold pesetas*
Germany	1.4	3,701	1.3	4,870
Andorra	.1	1,478	.01	99
Argentina	64.4	235,697	78.6	286,720
Brazil	15.3	81,530		
Colombia	.1	337	1.1	4,708
Cuba	.1	475	27.0	81,980
Chile	.1	597	.3	1,613
United States	1.3	5,849	6.3	41,480
France	.5	1,636	.8	3,000
Italy-Albania			1.1	4,374
Portugal	10.8	52,461	8.1	38,768
Sweden	.1	471		
Venezuela	.2	784	3.3	23,841
Total	94.4	385,016	127.91	491,453

Spain's imports of books in Spanish are not large, amounting to only about one-third the quantity exported. The only sizable quantities imported in recent years have come from Argentina, which supplied 37,000 kilograms (37.8 metric tons) valued at 64,922 gold pesetas in 1941, and 47,500 kilograms (47.5 tons) valued at 127,037 pesetas in 1942.

Textiles and Related Products

Output in Concepcion Area, Chile

Some of Chile's most important textile mills are located in Concepcion and vicinity. The cotton mills have anywhere from 20 to 1,000 looms, or approximately 2,000 of the country's total of 3,250 looms. Eight woolen mills in the region range in size from 30 to 150 looms, accounting for 540 of Chile's total of 780 woolen looms.

Cotton and woolen fabrics of all except the finer grades are manufactured, the entire textile output in 1942 having reached a value of 250,000,000 pesos.

All textiles produced in this area are absorbed by the domestic market.

New Zealand's Foreign Trade

During the year ended June 30, 1943, New Zealand exported 745,321 bales of wool and 971,841 sheepskins with wool, compared with 733,786 bales of wool and 984,580 sheepskins with wool in the corresponding period of the preceding year, according to unofficial reports.

In the first 6 months of 1943, imports of textile piece goods were valued at £NZ3,615,986, an increase over the £NZ3,134,405 imported in the corresponding period of 1942.

Mountbatten's Mobile Breweries

Lord Louis Mountbatten has a new claim to distinction. He is the first commander to include mobile breweries as part of the equipment of his forward combat units.

This "traveling brewery" fits neatly on a 15-hundredweight army truck, according to the British press. The plant consists of a boiler for water; a mash-tub in which malted barley and water are mixed before the mash is sprayed with boiling water; a copper boiler in which the extract is boiled with hops; a cooler to reduce the temperature of the boiled extract, and fermentation vats in which the beer is brewed.

The process takes 3 days, and the beer must be drunk within 12 hours of brewing. It is cloudy because of suspended yeast cells, but that does not affect the taste. The yeast adds vitamin B to the draught—which is a help to troops in a tropical climate.

Britain's "National Milk-Cocoa"

Several weeks ago the British Ministry of Food announced the introduction of National Milk-Cocoa, a new welfare food, which is being manufactured for supply to industrial plants, for the benefit of workers under 18 years of age. The object is to provide additional protein in an appetizing form.

National Milk-Cocoa, which is being produced with the cooperation of well-known manufacturers' is a sweetened blend of spray-processed dried milk and cocoa. It may be used only for reconstitution as a beverage and served only to persons under the age of 18, at not more than 1d. per one-third pint.

Upon being advised of the number of workers under 18 years of age, the British Food Office will issue permits to factory and works managers which will allow them to make purchases directly from manufacturers of National Milk-Cocoa.

National Milk-Cocoa will be packed in 20-pound nonreturnable containers which will cost 18s. 4d. net direct from manufacturers.

Rumanian Cotton and Hemp Acreage Below Expectations

Last spring Rumanian papers announced an extraordinary expansion in agricultural production. According to recent reports, however, most of these plans failed to materialize. In the field of textile fibers, it was announced that about 100,000 hectares of cotton and 125,400 hectares of hemp were to be planted. The actual areas achieved were only 27,448 hectares of cotton and 80,026 hectares of hemp.

Cotton and Products

Argentine Exports

Argentina exported 5,293 metric tons of cotton during the first 10 months of 1943. Reports indicate that of the total, 2,981 tons went to Venezuela, 1,522 to Cuba, and the balance to Chile, Uruguay, and Bolivia.

No export shipments were reported in the corresponding period of 1942.

New Strain of Cotton Planted in Sao Paulo, Brazil

In the 1942-43 season, 27 bales of a new strain of Delfos long-staple cotton were grown in Sao Paulo, Brazil. The staple, which is said to reach $^{15}/_{16}$ inches, can be used in spinning yarns of 80's and 100's.

In Sao Paulo this new type is expected to replace the Serido cotton formerly imported from northern Brazil but now difficult to obtain because of lack of shipping space.

Probably about 1,500 acres of this new strain was planted for the 1943-44 season.

Cotton Acreage, Barbados, B. W. I.

By the end of October sufficient cotton-seed had been distributed in Barbados, British West Indies, to plant 1,100 acres. Approximately 82 percent went to small farmers and the rest to operators of large plantations.

The acreage sown is reported to be about double that of the preceding year.

Payments for Raw Cotton to be Made in Cash or Cotton Goods in Bulgaria

To encourage cotton growing, Bulgaria's Supreme Commissariat of Wartime Economy has announced that payment for raw cotton will be made either in cash or in cotton goods.

Upon delivery of raw cotton to the proper authorities, the town mayors will furnish growers with a statement of the quantity delivered. This statement may then be presented at warehouses or stores of the General Union of the Agricultural Cooperatives, and the proper quota of cotton yarn, muslin, oxford, or thread may be obtained at fixed prices.

In the future, cotton growers must declare the area planted, prospective yield, and the quantity of cotton textiles desired when the crop is harvested. In this manner the authorities can anticipate the probable demand and endeavor to have sufficient supplies available.

Portugese Cotton Developments

Imports of colonial cotton into Portugal totaled 600 tons in November. Government authorities also distributed 1,600 tons of cotton to various mills. Manufacturers of clothing for the Army received an additional allotment.

Developments in U. K.

British designers and manufacturers were recently given an opportunity to study some of the best textiles of the past at an exhibition arranged in Manchester by the Cotton Board.

Fabrics from many countries, including India, Iran, China, Italy, France, Belgium, and the United Kingdom, and ranging from the fifth to the nineteenth century, were displayed for 3 weeks, beginning October 8, 1943.

Another exhibition featuring post-war trends in textiles was planned for the end of the year.

Cotton spinning and twisting mills were instructed to cease overtime on November 6, and continue operations on the usual 48-hour basis.

Exports were at a standstill in October as allocations for the fourth quarter of 1943 had not been made available. In the third quarter, 4,896,000 pounds of cotton yarn were exported, compared with 4,782,000 pounds in the preceding quarter, and 5,391,000 pounds in the third quarter of 1942. Shipments of cotton piece goods amounted to only 102,-881,000 square yards. In the preceding quarter 108,413,000 square yards were exported, and 109,924,000 square yards in the third quarter of the preceding year.

Situation in Venezuela

Venezuela's 1943–44 cotton crop is now officially estimated at between 4,000,000 and 4,500,000 kilograms of lint cotton. Early estimates had been as high as 5,750,000 kilograms, but insect attacks have necessitated a downward revision. The more recent estimate, however, exceeds the 1942–43 crop of 3,428,000 kilograms.

Domestic mills reportedly consumed approximately 6,000,000 kilograms of cotton in 1943, or the same as 1942 consumption. It may be necessary, however, to lower the 1943 figure somewhat, because some factories reduced operations to a one-shift basis. Stocks of finished products accumulated steadily and sales dropped about 25 percent below the level of 1942.

Venezuela's 10 cotton-manufacturing firms now employ 5,000 workers in the operation of 34,766 ring spindles, 3,726 twisting and doubling spindles, and 2,148 power looms.

Synthetic Fibers and Products

Rayon-Yarn Production in Brazil

By the outbreak of World War II, Brazil's rayon plants had progressed to the point where they could satisfy most of the domestic requirements.

One type of yarn not manufactured in the country was cuprammonium (Bemberg) yarn, but in 1942 one plant produced 32 tons of this yarn on an experimental basis. The test proved so successful that steps were immediately taken to change over the existing machinery and equipment and since May 1943 cuprammonium yarn has been manufactured on a commercial scale.

In 1942, 8,092 tons of rayon yarn were spun. Production amounted to only 5,323 tons 4 years earlier.

Rayon Production in U. K.

Demand for rayon yarn in the United Kingdom exceeds supply, and orders have been accepted for delivery up to March 1944 with the understanding that adjustments will be made if any price revisions should occur in the meantime.

All yarn for the domestic trade is required by the Government or for manufacture of utility goods. Non-utility fabrics are almost entirely out of production.

Foreign demand for rayon piece goods is mounting, but short supplies of rayon yarn prevent large-scale exports.

Board of Trade export figures for the third quarter of 1943 have recently been released, and reveal that 3,987,000 pounds of rayon yarn were shipped. This quantity compares favorably with the 3,208,-000 pounds exported in the preceding quarter, but is below the 4,408,000 pounds reported for the third quarter of 1942. Exports of rayon piece goods in the third quarter of 1943 aggregated 19,702,000 square yards, compared with 20,945,000 square yards in the second quarter, and 20,387,000 square yards in the third quarter of the preceding year.

Wool and Products

Argentine Situation

Argentina exported 15,226 bales of wool in October, compared with 19,653 bales in September and 16,212 in October 1942.

Commercial stocks are reported equivalent to 106,035 metric tons on a grease-wool basis.

Average prices for fine-crossbred and medium-crossbred were higher in October than in September, but changes in other types were small.

The 1943-44 clip is expected to be about equal to that of the preceding year, or 230,000 metric tons, and may comprise 14 percent fine-merino, 34 percent fine-crossbred, 20 percent medium-crossbred, and 32 percent coarse-crossbred.

Egyptian Production and Imports

Egypt's herds are believed to comprise some 1,475,000 sheep.

Unofficial estimates indicate that approximately 4,700,000 pounds of wool will be produced in 1943, compared with 4,100,000 pounds in 1942 and 4,850,000 pounds in 1941.

Imports of raw wool in the first 9 months of 1943 were 907,106 pounds. From this it would seem that the year's total will be close to the 1,562,174 pounds imported in the preceding year and 1,210,927 pounds in 1941.

Wool is not exported from Egypt, but is consumed in the domestic manufacture of blankets, cloth, filter cloth, tarboushes (Egyptian headwear), carpets, and shawls.

Exports From Iceland

Wool exports from Iceland totaled 1,108 metric tons in the first 9 months of 1943. Only 57 tons were exported in 1942 and 493 tons in 1941. Much of the 1942 yield was not shipped until the following year, which explains the very low figure for 1942.

Shipments of fur skins have increased steadily, 15,900 pelts having been exported in the January to September period of 1943. This quantity already exceeds the full 12 months' exports of 12,600 skins in 1942 and 7,300 in 1941.

Estimated Iranian Wool Yield

Because of improved grazing conditions, estimates on the 1943–44 Iranian wool yield have been increased to 14,000 metric tons, instead of 12,000 tons as previously reported.

Sheep in the country are believed to number 16,000,000.

Palestinian Production

Approximately 244,000 sheep (more than 1 year old) were pastured in Palestine in 1943 according to a census taken early in the year. Wool production for that year is estimated at 401,500 kilograms (approximately 885,000 pounds).

Production in Spain

Wool produced in Spain for the year ended September 30, 1943, was estimated at 36,000 metric tons, including both clipped and pulled wool. This varies only slightly from the 35,800 tons collected in 1941–42 and 37,718 tons in 1940–41.

A new highway into China from Assam, India, to link with the old Burma Road, is being carried forward across the eastern frontier of India over difficult terrain, the foreign press states.

Trade-Mark Applications

Argentina.—The following applications for trade-mark registration were published in the Boletín Oficial of December 22, 1943. Opposition must be filed before January 17, 1944:

Trade-mark	*Class No. and commodity*
Luki	No. 18—Entire class.
Indian	No. 20—Entire class.
Simplex	No. 1—Entire class.
Rambla	No. 18—Entire class.
Dentex	No. 2—Entire class.
Synol	No. 16—Entire class.

Uruguay.—The following applications for trade-mark registration were published in the Diaro Oficial, of Montevideo, on the dates noted. Opposition must be filed within 30 days from the date of publication:

Trade-Mark	Product	Date of publication
Vitalorange	Beverages	Dec. 20 to 24, 1943
Wrigley's	Groceries and foodstuffs	Do.
Schwinn	Transport in general	Do.
Dispadal	Drugstore and chemical products.	Do.
Stonewall	Hardware and bazar goods.	Do.
Fraveran	Drugstore and chemical products.	Do.
Sevilla Rum	Beverages	Do.
Dixie Belle	do	Do.
Philadelphia	do	Do.
Charter Oak	do	Do.
Chedite	Hardware and bazar goods.	Do.
Percheddite	Arms, hardware and bazar goods.	Do.

News by COUNTRIES

(Continued from p. 19)

Tariffs and Trade Controls

Raw Linen Fiber: Included in Raw Materials Section at Lower Duty.—Raw linen fiber for the manufacture of twine and cord will be included in the raw-materials section of the Uruguayan tariff for a period of 2 years, dutiable at 10 percent, plus a surtax of 16 percent of a fixed official valuation of 0.06 peso per kilogram of tow, according to a resolution of November 19, 1943, published in the Diario Oficial of November 26.

Ethyl Silicate: Included in Raw Materials Section of Tariff at Lower Duty.—Ethyl silicate, used as a binder in the manufacture of metal dental apparatus, is included in the raw-materials section of the Uruguayan customs tariff, dutiable at 15 percent, plus a surtax of 16 percent of its c. i. f. value, Montevideo, by a resolution of December 3, 1943, published in the Diario Oficial of December 11.

Commercial and Financial Departments Established in Uruguayan Legation in London.—Establishment of Commercial and Financial Departments in the Uruguayan Legation in London was announced by the Uruguayan Ministry of Foreign Relations, by a decree of October 27 published in the Diario Oficial of November 23.

[For previous announcement of the opening of similar departments in the Uruguayan Embassies in Argentina and Brazil and an Information Service in New York, see Foreign Commerce Weekly of September 11 and November 13, 1943.]

Approximately half the world's forest areas are found in the Western Hemisphere (47.3 percent), states a foreign lumber journal. South America contains 28 percent of the world total, and so does Asia. North America ranks third with 19.3 percent, and South Africa is fourth with 10.6.

Comment on Brazilian Coal Situation

Coal is still a big item of import to Brazil, notes the magazine "Brazil," and it is being brought home more and more that this situation must be remedied. Today, for instance, with coal importations almost entirely cut off, the country finds itself in a precarious condition. Industry is crippled, says the magazine, and the railroads in many cases are forced to use wood as a fuel to the great detriment of the nation's forest reserves. Domestic coal mining, it is stated, is being greatly encouraged by the Brazilian Federal Government.

New Edition of Schedule B

A new edition of Schedule B, "Statistical Classification of Domestic and Foreign Commodities Exported from the United States," was released several days ago by the Bureau of the Census, Department of Commerce, through the Government Printing Office, in the form of an alphabetical listing of commodities. This new form of presentation will facilitate the location of the correct Schedule B commodity number and required unit of quantity.

Since the Foreign Trade Statistical Regulations of the Department of Commerce require that the correct Schedule B number be reported on all Shipper's Export Declarations, it is necessary that all exporters be supplied with the current edition of Schedule B.

Schedule B may be purchased from local Collectors of Customs, from Department of Commerce Field Offices, or from the Superintendent of Documents, Government Printing Office, Washington, D. C., for 75 cents.

U. S. Export Control and Related Announcements

Developments communicated to the Trade Controls Unit up to Tuesday, January 11, 1944.

No. 507.—*Articles Included Under "Health Supplies"—Current Export Bulletin No. 137.*

The term "Health Supplies" as used in Current Export Bulletin No. 137 (Announcement 504 in FOREIGN COMMERCE WEEKLY for January 8, 1944), which announced the modification of decentralization procedure, includes the products covered by the following Schedule B numbers and classifications:

3980, Absorbent cotton, gauze and sterilized bandages; 3990, elastic webbing, woven, knitted or braided over 1½ inches wide; 7075.10, X-ray tubes; 7075.50, other X-ray apparatus and parts; 7075.90, other therapeutic apparatus and parts; 9142, ophthalmic lenses; 9143.50, sun or glare glasses and sun goggles; 9143.95, mica spectacles or eyeglasses; 9143.98, other spectacles, glasses, goggle, lenes, n. e. s. and frames; 9149.50, microscopes and accessories; 9149.98, other optical goods; 9150, dental instruments; 9152, teeth; 9153, precious metals for dentistry; 9155.50, dental office equipment; 9155.90, other dental supplies; 9156, sterilizers; 9157, surgical and medical instruments; 9158, surgical appliances; and 9190.98, other scientific laboratory and professional instruments and apparatus not specified.

Exporters should consult Schedule B for further details.

Import Control

No. 42—*Amendment of General Imports Order M–63, as Amended September 23, 1943, Making Specified Changes in Lists I, II, and III.*

The War Production Board has issued an amendment to General Imports Order M–63, dated January 8, 1944, and to become effective on January 12, making the following changes in the lists of materials subject to the Order (Schedule A Commerce Import Class Numbers in parentheses):

Removed From List I—Asphalt (5078.100, 5079.100 and 5394.000);

Added to List II—Luggage and related articles of bovine leather (including suitcases, valises, satchels, traveling and overnight bags, hat boxes, trunks, and other luggage; and boxes, caskets, chests, baskets, rolls, brief cases, and other cases, except handbags, and flat leather goods) (N. S. C.); jewels, for any movement, mechanism, device or instrument dutiable under paragraphs 367 and 368 of the Tariff Act of 1930, or any meter or compass (jewel bearings) (9580.000); pulpwood (4590.000 to 4596.000 inclusive).

Removed From List II—Goat and kidskin furs (0711.400); hides and skins: shearlings (including dry and green salted skins) (0231.300); leather luggage and related articles (including suitcases, etc.) (0691.300, 0691.400, 0691.600 and 0691.800); mahogany furniture and prefabricated parts thereof (N. S. C.); zinc base alloys, value chiefly of zinc, including "Kirksite" (N. S. C.); zinc dross and skimmings (6558.100); zinc, old and worn out, fit only for remanufacture 6558.000).

Added to List III—Fish-liver oil, n. e. s. (include halibut-liver oil) (2220.250); gums copal include Kongo, Manila, East India, Animi, Accroides, Yacca) (2109.700); hide splits, limed, pickled or dried (suitable for manufacturing into leather) (N. S. C.); hides and skins: shearlings, dry and wet (except close shorn skins with commercially worthless wool, ¼ inch and down) (N. S. C.); shark-liver oil, including oil produced from dogfish livers, n. s. p. f. (0808.730).

Removed From List III—Balsams, crude, not containing alcohol (except Canada balsam) (2141.000, 2141.300, 2141.400, 2141.500 and 2141.900); honey (1654.800).

Moved From List I to List II—Coir fiber (3409.000); coir yarn (3420.000); coir manufactures, other than pile mats, floor coverings, mattings, etc. (N. S. C.); emetine and salts thereof (N. S. C.); ipecac, crude and advanced in value or condition (2210.450 and 2220.170); leather, unmanufactured: rough tanned leather (including India-tanned): vegetable-tanned goat and sheepskins (0339.000 and 0339.100).

Moved From List I to List III—Leather, unmanufactured (all types except bovine, goat and kid, and rough vegetable-tanned goat and sheepskins) (0332.000 to 0332.500 inclusive, 0334.000 to 0335.350 inclusive, 0335.500 to 0335.990 inclusive, 0340.000 to 0340.700 inclusive, 0345.400 and 0345.900.

The governing date for all of the newly added materials is January 12, 1944. As of that date importation of these commodities may be made only under written authorization of the War Production Board for which application must be filed in duplicate on Form WPB–1041 (formerly PD–222–C). However, shipments of the materials in transit to a point within the continental United States on the governing date do not require authorization.

No. 43—Amendment to Supplemental General Imports Order M–63–a as Amended December 20, 9143, Making Specified Additions to Schedule A

An amendment to Supplemental General Imports Order M–63–a, dated January 8, 1944, and to become effective January 12, adds the following materials to Schedule A of that Supplemental Order (Commerce Import Class Numbers in parentheses):

Fish-liver oil, n. e. s. (include halibut-liver oil) (2220.250); pigeons, racing or fancy (0895.500); pigeons, other (N. S. C.); shark-liver oil, including oil produced from dogfish livers, n. s. p. f., (0808.730).

The effect of this amendment is to remove these products from the exemption which is granted to List III materials shipped overland, by air, or by inland waterway from Canada, Mexico, Guatemala and El Salvador, by terms of Supplemental General Imports Order M–63–a, and to require written authorization from the War Production Board, in accordance with paragraph (b) of General Imports Order M–63, for importation of the above products from the designated sources, regardless of the means of transportation.

U. S. Purchases of Chile Nitrate

Since Pearl Harbor the United States has imported 1,600,000 tons of Chilean nitrate, with a loss of only 12,000 tons. In the year ending June 30, 1944, the United States is scheduled to import another 700,000 tons, with options for another 300,000, says a statement by the Office of the Coordinator of Inter-American Affairs. Nitrates are of gerat importance in enriching soil and in the manufacture of munitions.

Tantalite—

(Continued from p. 7)

many miles of new country-type roadway. Today many Brazilians are seeing, for the first time, "jeeps" bouncing along the roads.

Role of Machines

Mechanization of tantalite work has been slow. Machines are new to Brazilian miners, who have traditionally worked with only the most primitive tools. It very naturally takes some time for them to learn. But, as compressors and jack-hammers and other equipment gradually arrive from the United States, the Brazilians gain valuable experience—which, by the way, will prove worth-while not only today but also for the post-war period.

United States Government agencies are sending large quantities of needed mining equipment, lending it to Brazilian producers.

Miners' Routine

Before the present up-surge of mining activity in the area, the Brazilians had seldom used mechanical equipment, and, even today, *most* of the mining men in the region prefer to use old-fashioned hand-washing methods to recover tantalite. They set up wooden sluice boxes near the deposits, and dig holes to store water, which is usually carried in gasoline cans by long-eared burros from streams sometimes miles away. The rock and dirt are broken, screened, and then washed in the water box. Tantalite, being heavy, sinks to the bottom of the box while the dirt drains off. The precious overflow is then collected and reused.

The Brazilian miners camp near their work, far from the comfort of even the small Brazilian interior towns. Most of them have thrown up thatched-roof "lean-tos" next to their excavation. Outside, one is almost certain to see big steaming pots of "feijão"—the Brazilian rice-and-beans dish.

Once or twice a week the miners gather together their tantalite ore, pack it on burro-back, and set off for the nearest town, where dealers weigh the mineral and judge its quality. These dealers, in turn, ship the ore by truck to the town of Campina Grande where it is graded, washed, sun-dried, and bagged. The last step in the tantalite cycle in Brazil takes place at Natal's great Parnamirim air field, where the tantalite is loaded aboard United States aircraft and rushed to this country.

This, then, in brief, is the story of tantalite in Brazil—the story of a little-known battle on the Brazilian economic front. While the armed forces of the United Nations smash ahead toward victory, a small group of miners, geologists, and engineers in Brazil are fighting to get one of the war's prime sinews.

In the determination to get tantalite, they find themselves comrades in arms, or "comrades with mining tools," of men similarly engaged in various regions of Africa and in the great and productive island continent of Australia.

Imports by Air—

(Continued from p. 5)

Timing Is Vital

It seems appropriate to speak here of the *timing* of the arrival of the material. We have often scheduled imports by air so that the raw materials arrived just a few hours before a radio or aircraft-parts factory would have closed down. That is the popular view of where air transportation counts. However, usually the raw materials have to be scheduled to arrive 2 or 3 weeks or more before they will be needed by the manufacturer of the end products. This is a less spectacular performance—but necessary because the raw materials must often be processed before they can be used by the final manufacturer.

The final priorities schedule consists of a list of materials rated from A–1–a at the top to B–3 at the bottom, and a schedule of shipments per month for each commodity from foreign airports. Special shipments of materials not included in the general list are covered by individual air-cargo priority certificates.

These schedules and special certificates are transmitted by the War Production Board to the Army Air Transport Command and the Naval Air Transport Service to be handled along with their priority passengers, mail, and military equipment on their own planes or on commercial planes operating overseas. Assistance is also given by the R. A. F. Transport Command, under the leadership of Air Chief Marshal Bowhill, and by B. O. A. C. and other commercial planes under British control. These air transport commands fly the materials and have been meeting our schedules regularly.

To them—particularly the Air Transport Command and the Naval Air Transport Service—goes the basic credit for the success of this program.

Handling Materials Overseas

There is another important job to be done overseas—less dramatic but very necessary. That is to produce, purchase, package, label, record, and get to the right airport at the right time the right amount of the right quality of the materials specified on the schedules. Obviously the Army and Navy cannot fly the materials unless they are delivered to the air bases.

For United States materials, the job is done by the Office of Economic Warfare, now re-christened as a part of the Foreign Economic Administration, with the assistance in some places of the representatives of the State Department. The Foreign Economic Administration handles nearly all the materials flown for United States account and also assists the United Kingdom and the Soviet Union.

So far as United States importations are concerned, there are of course two types: first, by private importers and, secondly, by the Government—the Foreign Economic Administration, which receives directives from the War Production Board to purchase materials when private trade is inadequate to get all we need of a certain commodity. In total, about two-thirds of our importations are through private hands; but nine-tenths of the American materials imported by air are owned by the Government, which is buying most of the important rare minerals.

These Government purchases are all handled overseas by the Foreign Economic Administration. In addition, F. E. A., at the request of the War Production Board, takes custody and handles privately owned imports which are given priority, with the exception of private imports traveling on commercial planes. Whereas formerly we [the Interdepartmental Air Cargo Priorities Committee] were very much in the dark as to how the materials were moving, we now get full information from the Air Transport Division of F. E. A. Cables come to us on the 10th, 20th, and last day of each month from the foreign airports reporting just what was shipped, what is backlogged at the airport, and what new arrivals of materials are expected. We

Looking at the 1943 Foreign-Trade Record

Total value of exports from the United States during the 1943 calendar year will be the largest ever recorded in the country's history, the Bureau of the Census, Department of Commerce, has announced. Exports during the first 11 months of 1943 totaled $11,414,170,000. Export totals include Lend-Lease shipments to the United Nations, but exclude shipments to the United States armed forces abroad. For security reasons, separate totals on these categories are not announced.

Export and import value totals for the month of November 1943 fell below the preceding month's figures, but despite this November was the seventh consecutive billion-dollar month of the year. The November export total of $1,036,000,000 represents a decrease of 13 percent below the October total.

Exports in November 1943 exceeded the November 1942 figure of $787,000,000 by 32 percent. The 1943 cumulative total of $11,414,000,000 is 59 percent above the corresponding 11 months' total for 1942.

November figure for general imports, $318,000,000, was 3 percent lower than the total for the preceding month. Imports for consumption, with a November monthly total of $310,000,000, declined 2 percent from the total for the preceding month.

General imports (arrivals) of merchandise into the United States for November 1943 showed an increase of 89 percent above the November 1942 total of $168,000,000. The January–November 1943 11-month general imports totaled $3,084,000,000, which represents a 29-percent increase over the corresponding 1942 11-month figure of $2,383,000,000.

Imports for consumption for the month of November 1943 showed an increase of 66 percent over the November 1942 total of $187,000,000. This brings the January–November 1943 11-month value to $3,109,000,000—which is 32 percent above the corresponding 11-month total for 1942.

General imports exceeded imports for consumption for the fourth consecutive month, indicating that entries into customs bonded warehouses are continuing to exceed withdrawals from previously imported stocks.

Summary figures on exports and imports for 1942 and 1943 are as follows:

Period	Exports		Imports	
	Total (including reexports)	United States merchandise	General (arrivals)	Imports for consumption
1942:				
January	$481,463,000	$475,205,000	$253,546,000	$256,046,000
February	479,993,000	476,357,000	253,609,000	239,592,000
March	627,603,000	621,574,000	272,190,000	252,109,000
April	716,774,000	709,077,000	234,870,000	223,604,000
May	535,652,000	529,701,000	190,791,000	191,974,000
June	648,224,000	642,832,000	214,746,000	199,708,000
July	649,926,000	645,009,000	213,210,000	209,249,000
August	703,096,000	696,245,000	186,323,000	184,766,000
September	732,014,000	725,896,000	196,033,000	196,755,000
October	801,382,000	794,258,000	199,750,000	223,409,000
November	786,860,000	780,753,000	168,079,000	186,715,000
December	873,145,000	864,866,000	358,787,000	407,417,000
January–December	8,036,132,000	7,961,773,000	2,741,934,000	2,771,334,000
1943: [1]				
January	730,083,000	721,958,000	228,245,000	245,626,000
February	719,528,000	710,414,000	233,836,000	244,940,000
March	988,326,000	973,885,000	249,225,000	263,995,000
April	979,837,000	970,315,000	254,558,000	266,788,000
May	1,084,514,000	1,075,787,000	281,016,000	285,003,000
June	1,001,597,000	995,352,000	295,279,000	287,664,000
July	1,251,141,000	1,243,332,000	300,369,000	303,561,000
August	1,203,826,000	1,192,788,000	314,686,000	305,885,000
September	1,233,094,000	1,216,414,000	280,466,000	279,305,000
October	1,185,972,000	1,178,247,000	328,558,000	316,699,000
November	1,036,252,000	1,024,517,000	317,890,000	309,801,000
Cumulative totals, January–November:				
1942	7,162,987,000	7,096,907,000	2,383,147,000	2,363,927,000
1943	11,414,170,000	11,303,009,000	3,084,128,000	3,109,267,000

[1] Preliminary totals.

then add up these three cables to compare actual performance with the schedules for the calendar month. The F. E. A.'s estimate of future availability of materials for air transportation as well as their prompt and accurate cables on movements enable the War Production Board to plan out in advance the allocation on strategic raw materials to war industries.

During the spring and summer of 1943, the present writer had occasion while overseas to observe at first hand in Brazil, Africa, India, and China the fine work of these F. E. A. cargo men and their close cooperation with the officers of the Air Transport Command and the Naval Air Transport Service who are responsible for loading and operating the planes.

After Arrival

Naturally, what counts is the speed of shipment from point of origin to point of consumption. Raw material stuck at an airport in the United States is of as little use to a factory working on Army and Navy orders as if the material were still in India. Among the pilots and traffic officers with whom the writer talked overseas there were circulating a good many stories of delays in handling—of flying in a load of mica to an airport in the United States and of seeing the same load sitting at the same airport on the pilots' next flight to this country.

This situation, which did exist in a few instances, has now been rectified, and materials arriving by plane are now cleared through Customs and transshipped to destination within 24 to 48 hours after arrival. This work is done by representatives of F. E. A. and the R. F. C. agencies, who work very closely with the Naval Air Transport Service and the Army Air Transport Command, who are in charge of the many air-freight depots in this country.

These and other kinks in the system of imports by air have been and are being ironed out by the cooperation of the various Government agencies concerned.

Climax of Program

In December 1943 this air-cargo program was climaxed by the flight of the Navy's giant seaplane *Mars*, bringing from Brazil 35,000 pounds of mica and tantalite—the greatest load of strategic materials ever carried in a single plane. These materials, urgently needed for radio and electronics production, ride "ahead of admirals," as the Secretary of the Navy put it in his press conference.

Both the cargo and the plane are milestones in aviation.

The *Mars* of 1943, of 88 gross tons, is bigger than the average sailing ship of this Nation's early history—of, let us say, the closing years of the eighteenth century. That comparison gives some idea of the stage of evolution that cargo airplanes have now reached.

But, whatever aviation may do in the future, right now the Army, Navy, commercial and foreign air lines are doing one of the finest supply operations of the war in flying the strategic raw materials which are most needed in the production of war equipment.

[NOTE.—The opinions or assertions in the foregoing article are the private ones of the writer and are not to be construed as official or as reflecting the views of the Navy Department or the naval service at large. FOREIGN COMMERCE WEEKLY desires, however, to state that the article has been given full clearance by the Office of War Information, the Navy Department, the War Department, and the Division of Information of the War Production Board.]

The author of this article—Lieutenant Marvin—with bags of a vital mineral being flown out of China on an Army C–46.

Latin American Exchange Rates

NOTE.—Averages are actual selling rates for sight drafts on New York, in units of foreign currency, per dollar, with the following exception: Cuba—United States dollars to the peso. The peso of the Dominican Republic, the Guatemalan quetzal and the Panamanian balboa are linked to the dollar at 1 to 1; the Haitian gourde is fixed at 5 gourdes to 1 dollar.]

Country	Unit quoted	Type of exchange	Average rate			Latest available quotation		
			1941 (annual)	1942 (annual)	Nov. 1943 (monthly)	Rate	Approximate equivalent in U. S. currency	Date, 1943
Argentina	Paper peso	Official A	3.73	3.73	3.73	3.73	$0.2681	Dec. 4
		Official B	4.23	4.23	4.23	4.23	.2364	Do.
		Bid	4.88	4.94	4.94	4.94	.2024	Do.
		Free market	4.24		4.00	4.00	.2500	Do.
Bolivia	Boliviano	Controlled	43.38	46.46	42.42	42.42	.0236	Dec. 21
		Curb	54.02	49.66	44.50	44.50	.0225	Dec. 10
Brazil	Cruzeiro [1]	Official	16.50	16.50	16.50	16.50	.0606	Dec. 1
		Free market	19.72	19.64	19.63	19.63	.0509	Do.
		Special free market	20.68	20.52	20.30	20.30	.0493	Do.
Chile	Peso	Official	19.37	19.37	19.37	19.37	.0516	Dec. 24
		Export draft	25.00	25.00	25.00	25.00	.0400	Do.
		Curb market	31.78	31.75	32.47	32.40	.0309	Do.
		Free	31.15	31.13	31.00	31.00	.0323	Do.
		Gold exchange	31.15	31.13	31.00	31.00	.0323	Do.
		Mining dollar	31.35	31.13	31.00	31.00	.0323	Do.
		Agricultural dollar	[2] 31.15	31.13	31.00	31.00	.0323	Do.
Colombia	do	Controlled	1.75	1.75	1.75	1.75	.5714	Dec. 18
		Bank of Republic	1.76	1.76	1.76	1.76	.5682	Do.
		Stabilization Fund	([3])	([3])	([4])	([4])	([4])	Do.
		Curb	1.86	1.77	1.75	1.75	.5714	Do.
Costa Rica	Colon	Uncontrolled	5.85	5.71	5.64	5.65	.1773	Nov. 30
		Controlled	5.62	5.62	5.62	5.62	.1779	Do.
Cuba	Peso	Free	.98	1.00	1.00	1.00	1.00	Dec. 18
Ecuador	Sucre	Central Bank (official)	15.00	14.39	14.10	14.10	.0709	Do.
Honduras	Lempira	Official	2.04	2.04	2.04	2.04	.4902	Nov. 30
Mexico	Peso	Free	4.86	4.85	4.85	4.85	.2062	Dec. 18
Nicaragua	Cordoba	Official	5.00	5.00	5.00	5.00	.2000	Dec. 24
		Curb	5.93		5.27	5.25	.1905	Dec. 11
Paraguay	Paper peso	Official		333.00	333.00	333.00	.0030	Nov. 7
Paraguay	Guarani [5]	do			3.10	3.10	.3226	Nov. 30
Peru	Sol	Free	6.50	6.50	6.50	6.50	.1538	Dec. 24
Salvador	Colon	do	2.50	2.50	2.50	2.50	.4000	Dec. 18
Uruguay	Peso	Controlled	1.90	1.90	1.90	1.90	.5263	Dec. 24
		Free	2.31	1.90	1.90	1.90	.5263	Do.
Venezuela	Bolivar	Controlled	3.26	3.35	3.35	3.35	.2985	Dec. 18
		Free	[3] 3.76	3.45	3.35	3.35	.2985	Do.

[1] Under law of October 6, 1942, the cruzeiro became the unit of currency, replacing the milreis. Since November 1, 1942, exchange quotations have been in terms of cruzeiros and centavos to the dollar.
[2] Established March 25.
[3] For class 2 merchandise, 1.795; class 3, 1.87; class 4, 1.195.
[4] For class 2 merchandise, 1.765; class 3, 1.775; class 4, 1.785.
[5] July 24–December 31.
[6] New currency unit instituted as of November 8, 1943.

NOTE.—Special rates apply to automotive equipment and agricultural machinery imported from the United States into Argentina.

Wooden "Bike" Tires in France

Wooden bicycle tires are being made in France, the foreign press says. The inventor does not claim that these tires have the same road-holding qualities as rubber tires, but prospective purchasers are assured that they can be used with a "reasonable degree of safety in a country where traffic has become nonexistent."

Foreign Commerce Statistical Decision—42

NOTICE TO COLLECTORS OF CUSTOMS, EXPORTERS, AND OTHERS CONCERNED

Defense Aid Shipper's Export Declaration Forms

DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington 25, D. C.,

A June 15, 1943, edition of the Defense Aid Shipper's Export Declaration (Commerce Form 7525–DA–V, Budget Bureau Approval No. 41–R001) has been printed. This form is to be used exclusively by authorized agents of the War Shipping Administration for water-borne Defense Aid (Lend-Lease) exports. The declarations are to be printed by agents of the War Shipping Administration. Sample copies of the declarations, and "Instructions for the Use of the Defense Aid Shipper's Export Declaration (Commerce Form 7525–DA–V), June 15, 1943, Edition," may be obtained from the Division of Foreign Trade Statistics, Bureau of the Census, Washington 25, D. C.

For all non-water-borne Defense Aid commerce, exporters are to continue to use the Defense Aid Shipper's Export Declaration (Commerce Form 7525–DA–V) which was issued September 1, 1942. Both the September 1, 1942, and the June 15, 1943, editions of the Defense Aid Shipper's Export Declaration forms are to be accepted for water-borne and non-water-borne Defense Aid shipments until further notice.

J. C. CAPT, *Director.*

JUNE 28, 1943.

[Publication of the foregoing Decision in FOREIGN COMMERCE WEEKLY was omitted in error at the time of its release and is inserted now for record.]

New Books and Reports

★ The following publications, added to the Department's research facilities, through the courtesy of the authors and publishers, are listed as a service to businessmen. *Please note:* The Department has no copies of private publications for distribution and cannot be responsible for their content. For private publications, write direct to the publishing agency given in each case.

Articles of Current Interest Appearing in the Department of State Bulletin January 1, 1944

Copies of this publication, which is issued weekly by the Department of State, may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., for the price of 10 cents each; subscription price $2.75 a year. The January 1 issue contains these articles:

ADDRESS BY THE PRESIDENT ON CHRISTMAS EVE.

STATEMENT BY THE PRESIDENT ON THE ANNIVERSARY OF THE SIGNING OF THE DECLARATION BY UNITED NATIONS.

WAR AND POST-WAR PROBLEMS IN THE FAR EAST: ADDRESS BY JOSEPH C. GREW.

ENEMY BROADCASTS ALLEGING RECOGNITION BY SPAIN OF THE MUSSOLINI REGIME.

RESOLUTION REGARDING RECOGNITION BY THE AMERICAN REPUBLICS OF NEW GOVERNMENTS INSTITUTED BY FORCE.

NEW-YEAR MESSAGE OF THE SECRETARY OF STATE.

CONVENTION OF THE REGULATION OF INTER-AMERICAN AUTOMOTIVE TRAFFIC.

MILITARY-MISSION AGREEMENT WITH IRAN.

RESIGNATION OF THOMAS BURKE AS CHIEF OF DIVISION OF INTERNATIONAL COMMUNICATIONS, DEPARTMENT OF STATE.

Other Publications

LEND-LEASE: WEAPON FOR VICTORY. E. R. Stettinius, Jr. 1944. 372 pp. Price, $3. The author, former Lend-Lease Administrator and now Under Secretary of State, here tells one of the most dramatic tales of the war—the story of Lend-Lease. Provides the answers to questions the American citizen frequently asks about Lend-Lease: What *is* Lend-Lease? How is our money being spent? Who gets the food? Why must we ship arms to other countries? Who is responsible for decisions as to distribution? Of particular interest is the discussion of reverse Lend-Lease, offering a picture of benefits received by the United States from this system.

Available from: The Macmillan Co., 60 Fifth Avenue, New York 11, N. Y.

FAR EASTERN POST-WAR MONETARY STANDARDS. Dickson H. Leavens. 1943. 24 pp. Monetary Standards Inquiry No. 6. Price, 10 cents. Discussion of the kind of monetary system or systems best suited to the needs of Far Eastern countries, or most likely to be desired by them.

Available from: The Monetary Standards Inquiry, 408 Graybar Building, New York 17, N. Y.

CANADA - UNITED STATES COORDINATION. Canada-United States Committee. 1943. 18 pp. Report of Canada-United States Committee maintained by Canadian Chamber of Commerce and Chamber of Commerce of the United States.

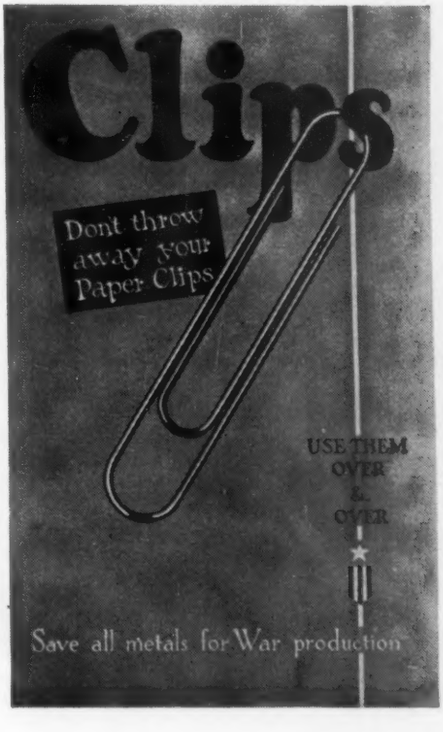
Available from: Chamber of Commerce of the United States, 1615 H Street NW., Washington 6, D. C.

YOUR PLACE IN THE POST-WAR WORLD. H. S. Kahm. 1943. 63 pp. Gratis with 1 year's subscription to "Forbes" magazine at $4. Outlines many of the post-war opportunities now clearly defined, in relation to small business, investment, jobs, careers, and dealerships, as a guide to businessmen and investors who are making plans for the future. Chapter headings include aviation, prefabricated housing, air conditioning, international relations, importing, and exporting.

Available from: B. C. Forbes Publishing Co., Inc., 120 Fifth Avenue, New York 11, N. Y.

RUSSIA AND POST-WAR EUROPE. David J. Dallin. 1943. 241 pp. Price, $2.75. Deals with Russian foreign policy currently and in the future. In the first section are discussed the problems underlying Soviet policy, its principles, ideas, and theories; in the second, the main trends of Soviet foreign policy as it has appeared in the last decades; and, in the last two sections, conclusions drawn from the pre-war history of Soviet Russia, as well as their application to post-war years.

Available from: Yale University Press, New Haven, Conn.



Nazi "Solicitude"

As tea is unobtainable in occupied Belgium, the German-controlled newspapers have proposed to their readers the following substitutes: common briar, some other species of briar, hawthorn, broom, corniculate lotus, cornute clover, coltsfoot, Aaron's rod, Jupiter's beard, gromwell, and prickly willow-herb.

Seized Enemy Patents

One feature of special technical interest at the recent Exposition of Chemical Industries in New York City was the Alien Property Custodian's library of 45,000 seized enemy patents and applications, now available to American industry on a licensing basis. Some 7,500 of these are in the field of chemistry, and many visitors showed interest in them, particularly the organic synthetics, pharmaceuticals, foods, dyes, dyeing and textile chemicals, paints and varnishes, and finally plastics. Of these, synthetic resins apparently were the subjects most frequently perused. This library is to have its permanent home in New York City.

Contributors' Column

Lieut. (jg) L. P. Marvin, jr. ("Imports by Air") was born in New York City. He was graduated from Harvard College in 1941, where he was elected "Field Marshal" of the Senior Class. He was formerly Executive Secretary of the Interdepartmental Shipping Priorities Committee of the War Production Board. In the spring and summer of 1943 he was assigned overseas on the problems of movement of strategic raw materials by air. His missions took him to Brazil, Africa, the Middle East, India, China, and the North Atlantic air bases. In addition, he has spent some time visiting air-freight depots in this country. Currently, he is assigned as Chairman of the Interdepartmental Air Cargo Priorities Committee in Washington, a position which he has filled since September 1942.

Mary B. MacKrill ("Aviation in Brazil").—See the July 3, 1943, issue of FOREIGN COMMERCE WEEKLY.

S. Earle Overley ("Rubber Procurement in the Western Hemisphere") was born in Creston, Ohio, had his early education in the public schools of Ohio and Pennsylvania, received a B. S. degree from the College of Wooster, Wooster, Ohio, and was principal of a township high school during the following school year. He has had wide experience in the oil and rubber industries in the United States and abroad; in the petroleum industry as distributor for one of the major oil companies (7 years), and in the rubber industry (20 years) serving in such positions as assistant manager for one of our largest rubber companies, at Buenos Aires (2 years), manager for the same company in Cuba (4½ years); and, returning to the United States, as assistant district manager and as district manager for the company (3 years). He joined the Bureau of Foreign and Domestic Commerce in April 1942, and was assigned to the Rubber Staff, where he is now Acting Chief of the Unit.

Some 450 Norwegian fishing vessels, mostly small craft formerly using gasoline, have been converted to the use of producer gas. The number is expected to reach 1,000, claims the Nazi press.

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Copies may be purchased from the

Superintendent of Documents, Government Printing Office, Washington 25, D. C.,

or from the U. S. Department of Commerce Field Offices

U. S. DEPARTMENT OF COMMERCE
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JESSE H. JONES, *Secretary*
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U. S. GOVERNMENT PRINTING OFFICE: 1944